

FOURTH AMENDED AND RESTATED
BY-LAWS OF
MIDTOWN COMMUNITY BENEFITS
DISTRICT MANAGEMENT AUTHORITY

July 9, 2022

Article I

Creation of Midtown Community
Benefits District Management Authority

1.01 Name. Pursuant to Chapter 732 of the Laws of Maryland of 1994 and Chapter 655 of the Laws of Maryland of 1997 (collectively, the “Enabling Law”) and Ordinance No. 613 approved by the Mayor on July 18, 1995 and Ordinance No. 432 approved by the Mayor on June 1, 1999 (collectively, the “Ordinance”), the name of this organization is the “Midtown Community Benefits District Management Authority (hereinafter referred to as the “Authority”). Current laws regarding the Midtown Community Benefits District Management can be found in Article 14, Subtitle 7, of the Baltimore City Code.

1.02 Location of Offices. The principal office of the Authority shall be located at such location as the Board of Directors may designate within the District.

1.03 Definitions. All terms defined in the Enabling Law and the Ordinance shall have the same definition herein unless expressly modified.

Article II

Board of Directors

2.01 Function of Directors. The business and affairs of the Authority shall be managed under the direction of its Board of Directors. All powers of the Authority shall be exercised by or through the Board of Directors, unless delegated by the Board of Directors to one or more officers thereof.

2.02 Composition of Board.

A. The Board of Directors of the Authority shall be composed of not less than fourteen (14), excluding vacancies, and no more than twenty-five (25) persons. Subject to limitations prescribed in the preceding sentence, the Board of Directors shall have the full authority to decrease or increase the number of Directors.

B. At least two-thirds of the Board of Directors shall be composed of property owners or representatives of property owners subject to the tax imposed by the Ordinance.

2.03 Minimum Representation on Board. The following minimum representation shall be present on the Board of Directors:

A. One voting member shall be appointed by the Mayor.

B. One voting member shall be a member of the City Council appointed by the President of the City Council.

C. At least two (2) voting members shall be from each of the following constituent organizations within the District: Charles-North Community Association, Madison Park Improvement Association, Bolton Hill Community Association and Mt. Vernon - Belvedere Improvement Association. The President of each Association (or the President's written designee) and one other member of such Association selected by such Association shall serve as members of the Board of Directors, provided that the President of an Association may only serve in the President's capacity as such.

D. The Board of Directors shall contain four (4) at large voting members elected pursuant to Section 2.06 of these By-Laws.

2.04 Additional Board Members Permitted. Pursuant to the Baltimore City Code, Article 14, Section 7-6 (e)(2), the Board of Directors may contain additional members from the following constituent groups, as determined by the Board from time to time:

A. (i.) Up to 4 members from the neighborhood associations bordering the District, the Downtown Management District Authority and the Charles Village Benefits Authority, who shall be voting or nonvoting, as determined by the Board from time to time; (ii) up to 3 voting members from the churches and non-profit organizations within the District that make voluntary contributions to the District; (iii) up to 4 voting members representing constituencies that the Board determines in its discretion will enhance the Authority's success in furthering the broad objectives of improving and enhancing public services throughout the District, including, by way of example only, retail merchants, major employers, professionals practicing in the District, and residential tenants.

B. Up to three (3) voting members from organizations within the District which make voluntary contributions to the District, including but not limited to Maryland Institute College of Art, University of Baltimore, and Johns Hopkins University/Peabody School of Music and other institutions.

C. Up to six (6) voting members representing constituencies which the Board determines in its discretion will enhance the Authority's success in furthering the broad objectives of improving and enhancing public services throughout the District, including (by way of example only) retail merchants, major employers, professionals practicing in the District, and residential tenants. .

2.05 Appointment of Members by the Board. Not later than April 30 of each year, the existing Board of Directors may make appointments, in accordance with the Ordinance and these By-Laws, of persons to serve as additional members of the Board of Directors as permitted by Section 2.04 of these By-Laws for a term commencing on July 1 of that same year. Before completing its appointments each year, the Board of Directors shall ensure that the composition of its membership is consistent with the provisions of Section 2.02 of these By-Laws. In addition, the Board of Directors may make appointments, in accordance with the Ordinance and these By-Laws, of persons to serve as additional members of the Board of Directors at any time during the year for a term commencing as determined by the Board of Directors.

2.06 Election of At Large Voting Members of the Board.

A. Four (4) at large voting members of the Board of Directors shall be elected at the Annual Meeting. One (1) at large member shall be elected from each of the four (4) sectors described in subsection C. below. In order to be eligible for election as an at large voting member of the Board of Directors an individual must (i.) reside in the District, (ii.) own property subject to the tax imposed by the Ordinance, (iii.) operate a business in the District, or (iv.) be a representative of a property owner subject to the tax imposed by the Ordinance. Any person who is eligible for election as an at large voting member of the Board of Directors is also an "eligible voter" for purposes of Article II.

B. The Board of Directors shall solicit written nominations for the four (4) at large voting members of the Board of Directors. At the Annual Meeting, the Board of Directors shall present to those eligible voters in attendance the nominees for each neighborhood represented within the District. Nominations must be made prior to the Annual Meeting within the time prescribed by the Board of Directors. No nominations may be made from the floor of the meeting.

C. The at large voting members of the Board of Directors shall be elected by all of the eligible voters in attendance at the Authority's Annual Meeting, for a term beginning July 1 of the next fiscal year. The Board of Directors of the Authority shall prescribe the method of voting. Each of the at large members shall represent the Charles-North, Bolton Hill, Madison-Park, and Mt. Vernon-Belvedere sectors, as delineated in the Ordinance, as amended from time to time.

D. The nominee from each sector receiving the highest number of votes of those eligible voters attending the Annual Meeting shall be elected to serve as a member of the Board of Directors.

2.07 Term of Office. Each Board member shall hold office for a term of three (3) years. Board members may serve no more than two (2) consecutive three (3) year terms, with the exception of the City Council Member and the Board Presidents of each sector's neighborhood association.

A Board member who has served two (2) consecutive three (3) year terms must remain off the Board for a minimum of one year before seeking a new term.

2.08 Removal. Board of Directors may, by a two-thirds vote of the Directors present and voting, remove a Director for cause, as determined by the Board of Directors in its sole discretion. "Cause" includes unexcused absence from three (3) or more meetings; engaging in abusive behaviors, including verbal abuse, threats, or comments related to gender, sexual orientation or expression, disability, physical appearance, race, religion, or national origin; failure to act with respect, integrity, and dignity; or engaging in other behavior that could be considered offensive, illegal, or damaging to the reputation of the Authority.

2.09 Vacancies. In the event of resignation, expiration, removal or other departure from the Board of Directors of a Director not appointed by an elected official or allocated to a specific community association, a majority of the remaining Directors, whether or not sufficient to constitute a quorum, may fill a vacancy on the Board of Directors in an interim capacity. Vacancies for members appointed by an elected official or allocated to a specific community association shall be filled by such official or association. Any Director appointed in an interim capacity to fill a vacancy shall serve through June 30 of the fiscal year in which the Director is first appointed or such later time as the Director's successor is elected and qualifies.

2.10 Meetings.

A. Meetings. The Board of Directors shall hold at least six (6) meetings each calendar year.

B. Special Meetings. Special meetings of the Board of Directors may be called at any time by the Chair or by a majority of the Board of Directors by vote at a meeting, or in writing with or without a meeting. A special meeting of the Board of Directors shall be held on such date and at any place as may be designated from time to time by the Board of Directors. In the absence of designation, such meeting shall be held at such place as may be designated in the call.

C. Notice of Meeting of Board of Directors. The President shall give notice to each Director of each regular and special meeting of the Board of Directors. The notice shall state the time and place of the meeting. Notice is given to a Director when it is delivered personally to the Director, left at the

Director's residence or usual place of business, telephone, text, or e-mail, at least twenty-four (24) hours before the time of the meeting, or in the alternative, sent by mail to the Director's address as it shall appear on the records of the Authority, at least seventy-two (72) hours before the time of the meeting. Any meeting of the Board of Directors, regular or special, may be adjourned and reconvened at another time without additional public notice if notice of the time and place of the reconvened meeting is provided before adjournment, and if there is any change to the meeting agenda, a copy of such agenda is provided in advance of the reconvened meeting.

D. Meeting by Conference Telephone. Members of the Board of Directors may participate in a meeting by means of a conference telephone or similar communications equipment, including web-based teleconferencing, if all persons participating in the meeting can hear each other at the same time. Participation in a meeting by these means constitutes presence in person at a meeting. To the extent required by the Open Meetings Act, for any meeting conducted via teleconference, members of the public shall be provided access via a call-in number or by access to a meeting room with a speakerphone.

E. Annual Meeting. The Board of Directors each year shall hold an Annual Meeting, open to all eligible voters and community members within the District, no later than April 30 of each year. Among other business the Board of Directors may conduct, they shall present the financial plan in accordance with Section 5.02 of these By Laws and conduct the election of at large voting members of the Board of Directors in accordance with Section 2.06 of these By Laws.

F. Notices of Meetings. The Board of Directors shall give notice of the Annual Meeting by publishing notice of the date, time, and place of the meeting in a newspaper of general circulation in Baltimore City at least once a week for three consecutive weeks, or as otherwise provided in the Ordinance, prior to the date of the Annual Meeting. The Board of Directors may also give notice of the Annual Meeting on the Authority's website, through social media, and/or other channels. The notice for the Annual Meeting shall state that the financial plan for the upcoming fiscal year will be presented, and that elections for four (4) at large voting members of the Board of Directors will take place. The notice shall otherwise provide information concerning the nomination and election process. The Board of Directors shall provide reasonable advance notice of each other meeting in accordance with the Open Meetings Act.

2.11 Quorum and Voting. The presence of a majority of the voting members shall constitute a quorum for all regular and special meetings of the Board of Directors. Each voting member of the Board of Directors shall have one vote. Voting by proxy is not permitted. The act of a majority of voting members in attendance at a Board of Directors meeting at which a quorum is present shall be the act of the entire Board of Directors.

2.12 Transactions with Directors. The Authority shall not enter into a contract or other transaction with a member of its Board of Directors; a family member of a Director; or a corporation, firm or other entity in which any member of its Board of Directors or a family member of a Director is a director or has a material financial interest unless:

A. The fact of the common directorship or interest is disclosed or known to the Board of Directors, and the Board of Directors authorizes, approves and ratifies the contract or transaction by the affirmative vote of a majority of disinterested members of the Board of Directors, even if the disinterested members constitute less than a quorum; and

B. The disinterested members of the Board of Directors determine that the contract or transaction is fair and reasonable to the Authority.

2.13 Compensation. Unless otherwise specified by resolution of the Board of Directors, no compensation shall be paid to Directors for attendance at each regular or special meeting of the Board of Directors. A Director who serves the Authority in any capacity other than as a Director may receive compensation for such services, pursuant to a resolution of the Directors.

2.14 Open Meetings. The Board acknowledges that it is a public body under the “Open Meetings Act,” Title 3 of the General Provisions Article of the Maryland Annotated Code, as from time to time amended. Meetings of the Board of Directors shall comply with the Open Meetings Act.

2.15 Robert’s Rules of Order. All meetings shall be conducted in accordance with the Enabling Law, the Ordinance, and these By-Laws, supplemented where not inconsistent by Robert’s Rules of Order, Newly Revised.

Article III

Officers and the Administrator

3.01 Officers. The Nominating Committee shall nominate, and the Board of Directors shall elect from among its members, individuals to serve, at the pleasure of the Board, as Chair, Vice Chair, Treasurer and Secretary of the Authority, delegating to such individuals such responsibilities as the Board of Directors deems appropriate. Any two offices, except those of Chair and Vice-Chair, may be held by the same person, but no officer shall execute, acknowledge, or verify an instrument in more than one capacity when such instrument is required by law to be executed, acknowledged, or verified by more than one officer.

3.02 Term of Office. Officers shall be elected annually at the Annual Meeting of the Board of Directors in each fiscal year beginning on July 1 following the Annual Meeting at which the officer was elected and continuing for a term of three (3) years or until the officer’s successor takes office after having been duly elected or appointed.

3.03 Chair. The Chair shall preside at meetings of the Board of Directors. The Chair may sign and execute, in the name of the Authority, all instruments related to the Authority’s affairs, except in cases in which the signing and execution thereof shall have been expressly delegated to some other officer or agent of the Authority. The Chair shall also make recommendations to the Board of Directors with respect to the membership of all Committees of the Board of Directors except the Executive Committee.

3.04 Vice Chair. The Vice Chair shall assist the Chair as requested and shall preside at meetings of the Board of Directors in the absence of the Chair.

3.05 Secretary. The Secretary shall ensure that the following activities are carried out: issuance of notices in accordance with the provisions of these By-Laws and the Open Meetings Act; keeping of minutes of the meetings of the Board of Directors; custody of all documents belonging to the Authority; and, in general, shall perform all duties incident to the office of Secretary and such other duties as are from time to time assigned to the Secretary by the Board of Directors or the Chair.

3.06 Treasurer. The Treasurer shall have oversight of all funds, securities, receipts and disbursements of the Authority, and shall oversee the investment of funds and maintenance of accounts consistent with the directives established by the Board. The Treasurer shall render to the Chair and to the Board of Directors, whenever requested, an account of the financial condition of the Authority; and, in general, shall perform all duties incident to the office of Treasurer and such other duties as are from time to time assigned to the Treasurer by the Board of Directors or the Chair.

3.07 President. The Board of Directors shall employ a President to perform the duties and functions of Administrator set forth in **Section 7-13 of Article 14 of the City Code** and to perform such other duties and functions as may be directed by the Board of Directors and/or the Chair consistent with the Ordinance and these By-Laws. The President of the Authority shall have general management and direction of the activities of the Authority and shall have authority to sign and execute contracts or other instruments on the Authority's behalf **provided the Board shall retain final discretion and power with regard to all substantive agreements, contracts, and other arrangements binding on the Authority, and shall perform such duties as assigned by the Board or the officers.**

Article IV

Committees

4.01 Committees. The Board of Directors may appoint from among its members an Executive Committee, a Finance Committee, and a Nominating Committee as standing committees. From time to time, the Chair and/or President may elect to create additional committees including but not limited to Marketing, Safety, Clean & Green, and any other committees composed of two or more Directors to perform such assignments as may be requested by the Board.

A. The Executive Committee shall consist of the Chair, the Vice Chair, the Secretary and the Treasurer of the Authority and such other members of the Board of Directors as the Board shall from time to time determine.

B. The Nominating Committee shall meet prior to the Annual Meeting for the purpose of soliciting and vetting potential nominees to serve on the board as Directors, and in leadership functions. The Nominating Committee shall consist of no less than three (3) Directors and (2) voting members from the district at large as defined in subsection A of Section 2.06.

C. The Chair shall appoint the members of all other Committees, subject to the consent of the Board of Directors. Each member of such Committee shall continue in office at the pleasure of the Board of Directors.

Article V

Finance

5.01 Fiscal Year. The fiscal year of the Authority shall begin on July 1 and shall end on June 30.

5.02 Annual Budget. The President, in conjunction with the Treasurer, shall develop for the Board of Directors a proposed annual budget in accordance with **Section 7-13(a)(1) of Article 14 of the City Code.**

A. Not later than April 15 of each year, the Board of Directors shall adopt a proposed annual budget consisting of at least a proposed schedule of taxes or charges to be imposed throughout the District.

B. The Board of Directors shall present the proposed budget at the Annual Meeting, held not later than April 30 of each year.

C. After the Annual Meeting and with due consideration for the community input received at the Annual Meeting, the Board of Directors shall finalize and adopt the annual budget. The

annual budget shall be submitted to the Board of Estimates for approval in accordance with **Section 7-14 of Article 14 of the City Code.**

5.03 Supplemental Tax.

A. The Board of Directors shall recommend to the Board of Estimates the supplemental tax rate each year as part of the annual budget. During the process of adopting the annual budget, the Board of Directors shall approve the supplemental tax rate in a separate vote different from the vote of the Board of Directors for the purpose of adopting the annual budget.

B. The supplemental tax rate must be approved by a majority of all of the voting members of the Board of Directors.

5.04 Annual Audit. The Board of Directors shall, no later than ninety (90) days following the end of the Authority's fiscal year, contract with an independent certified public accountant not affiliated with the Board of Directors, or President of the Authority, to prepare an audit of all funds of the Authority. A copy of the audit report shall be furnished to the Board of Directors and to the City's Department of Finance and Board of Estimates.

Article VI

Indemnification

6.01 Indemnification. The Authority shall fully indemnify any Director made a party to any proceeding by reason of service in that capacity unless it is established that:

A. The act or omission of the Director was material to the matter giving rise to the proceedings; and

(i) Was committed in bad faith; or

(ii) Was the result of active and deliberate dishonesty; or

B. The Director actually received an improper personal benefit in money, property, or services; or

C. In the case of any criminal proceeding, the Director had reasonable cause to believe that the act or omission was unlawful.

Indemnification may be against judgments, penalties, fines, settlements, and reasonable expenses actually incurred by the Director in connection with the proceeding. Reasonable expenses incurred by a Director who is a party to a proceeding may be paid or reimbursed by the Authority in advance of the final disposition of the proceeding upon receipt by the Authority of:

(i) A written affirmation by the Director of the Director's good faith belief that the standard of conduct necessary for indemnification by the Authority has been met; and

(ii) A written undertaking by or on behalf of the Director to repay the amount if it shall ultimately be determined that the standard of conduct has not been met.

6.02 Insurance. The Authority shall have the power to purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee or agent of the Authority.

Article VII

Miscellaneous

7.01 MBE/WBE Participation. The Authority shall comply with the requirements of City ordinances and City policies on encouraging and achieving goals for minority and women's business enterprise participation in the contracting activities of the Authority.

7.02 Non-Discrimination. The Board shall not discriminate on the basis of any of the protected characteristics set forth in Baltimore City Code, Art. 4, § 1-1(f), as amended and shall include such prohibition in all of its contracts.

7.03 Amendments. These By-Laws may be amended from time to time as deemed appropriate or necessary by a vote of the majority of all members of the Board of Directors upon thirty (30) days' written notice to Directors, which notice to Directors shall contain the proposed amendment(s) and the date, time and place of the meeting to consider such amendment(s). Any amendments shall be subject to the approval of the Board of Estimates.

*Note: This restated version of the by-laws reflects the amendment adopted by the Board of Directors on March 2, 2022 and approved by the Board of Estimates on **ENTER DATE**.*