



TO: Board of Estimates, Office of Comptroller

FROM: AGC4301 - Mayoralty

DATE: 06/28/2024

Submission #: SB-24-12085

SUBJECT: Port Covington Management District Baseline Services
Memorandum of Understanding

ACTION REQUESTED OF BOARD OF ESTIMATES:

The Board is requested to approve an Memorandum of Understanding (MOU) with the Port Covington Community Benefits District Management Authority.

PERIOD OF CONTRACT/AGREEMENT: Based on Board Approval with a duration of 3 Years
06/26/2024 / to 06/25/2027

AMOUNT AND SOURCE OF FUNDS:

Transaction Amount: \$ 0.00

Project Fund

Amount

BACKGROUND/EXPLANATION:

The Baseline Services Memorandum of Understanding, dated retroactively to April 1, 2023, is an agreement between the Mayor and City Council of Baltimore (referred to as "the City") and the Port Covington Community Benefits District Management Authority ("the Authority"). The document outlines the City's recognition of the significance of developing Port Covington as a diverse and sustainable neighborhood and establishes the Authority's role in managing community benefits. The City Charter grants the City the power to create such authorities to enhance district marketing, security, maintenance, public amenities, and recreational programs. Ordinance No. 20-358, passed on April 27, 2020, officially formed the District and the Authority, mandating a Memorandum of Understanding to specify the City's service commitments to the Authority.

COUNCIL DISTRICT: 11th District

EMPLOY BALTIMORE:	LIVING WAGE:	LOCAL HIRING:	PREVAILING WAGE:
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N/A

N/A

N/A

N/A

1% FOR PUBLIC ART: N/A.

ENDORSEMENTS:

Law has reviewed and approved for form and legal sufficiency

NCAmato
Clerk, Board of Estimates

06-26-2024

**PORT COVINGTON MANAGEMENT DISTRICT
BASELINE SERVICES MEMORANDUM OF UNDERSTANDING**

06-26-2024

THIS BASELINE SERVICES MEMORANDUM OF UNDERSTANDING (“**Agreement**”), retroactively entered into as of April 1, 2023 (the “**Effective Date**”), is by and between **MAYOR AND CITY COUNCIL OF BALTIMORE**, a body politic and corporate of the State of Maryland (the “**City**”) and the **PORT COVINGTON COMMUNITY BENEFITS DISTRICT MANAGEMENT AUTHORITY**, a body politic and corporate of the State of Maryland and the City of Baltimore (the “**Authority**”).

RECITALS

WHEREAS, the City recognizes the importance of the development of Port Covington as a clean, green and safe neighborhood, which will reflect a diverse mix of business and residential properties, and a diverse economic, social and racial mix of residents and workers; and

WHEREAS, the City Charter Article II, Section (63) provides the power and authority for the Mayor and City Council of Baltimore to establish, by ordinance, community benefits district management authorities within the City to provide the following services to the business interests and residents of the proposed district: (1) promote and market districts, (2) provide supplemental security and maintenance services, (3) provide amenities in public areas, (4) provide park and recreational programs and functions, and (5) after an authority is established, provide other services and functions as requested by the authority and approved through an ordinance of the Mayor and City Council; and

WHEREAS, by Ordinance No. 20-358 (Bill No. 19-0465) approved by the Mayor and City Council of Baltimore on April 27, 2020 (which, as amended, is referred to herein as the “**Ordinance**”), the City created the Port Covington Community Benefits District (the “**District**”); and the Authority as the body to provide services within the District, and

WHEREAS, by Section 10-10 of the Ordinance, the City and the Authority must enter into a Memorandum of Understanding regarding the level of services to be maintained by the City as the City’s obligation to the Authority and the District’s taxpayers, which this Agreement is intended to fulfill; and

WHEREAS, by Section 10-3 of the Ordinance, the purpose of the Authority is to: (1) promote and market the District, (2) provide supplemental security and maintenance services, (3) provide amenities in public areas, (4) provide park and recreational programs and functions, and (5) provide other services and functions as may be requested by the Authority and approved by an ordinance of the Mayor and City Council of Baltimore; and

WHEREAS, the Authority has currently chosen MAG MACFARLANE BP MANAGEMENT LLC, a Delaware limited liability company (“**Administrator**”) to be its administrator, as Administrator has previously provided services in the District and has the ability to administer the day-to-day operations for the Authority.

NOW, THEREFORE, THIS AGREEMENT WITNESSETH THAT in consideration of the mutual promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree to as follows:

**ARTICLE I
DEFINITIONS AND EXHIBITS**

1.01. Definitions. Certain terms are defined in the heading and the recitals hereto. In addition to those definitions, as used in this Agreement, the following definitions shall apply:

“**Baltimore**” shall mean the area within the geographic boundaries of the City of Baltimore.

“**Baseline Services**” means the services to be provided by the City within the District, as described in Article II and **Exhibit A**.

“**BCRP**” means the Baltimore City Department of Recreation and Parks.

“**BDC**” means the Baltimore Development Corporation.

“**BPD**” means the Baltimore City Police Department.

“**CAO**” means the Chief Administrative Officer of the City.

“**DOT**” means the Baltimore City Department of Transportation.

“**DPW**” means the Baltimore City Department of Public Works.

“**Fiscal Year**” means the period beginning on July 1 of a calendar year and ending on June 30 of the subsequent calendar year.

“**Supplemental Services**” means the services to be provided by the Authority within the District described in Article III and **Exhibit B**. These Supplemental Services may include services which otherwise would have been performed by the City in the District, such as mowing, trash removal and minor repairs.

1.02. Exhibits.

The Exhibits to this Agreement are as follows:

Exhibit A – List of Each Department’s Baseline Scopes of Services

Exhibit B – The Authority’s Supplemental Services

Exhibit C –Conflict of Interest Policy

1.03. Control of Ordinance.

If there is a conflict between the terms of the Ordinance and the terms of this Agreement, the terms of the Ordinance shall control.

ARTICLE II CITY BASELINE SERVICES

2.01. Administration of Taxes and Charges.

As described in the Ordinance as part of the Baseline Services, the City agrees to provide services in the District consisting of the collection, assessment, disbursement, record-keeping, and enforcement of the Supplemental Tax (defined in the Ordinance) and other charges approved by the Board of Estimates.

2.02. Baseline Services Provided by Various City Departments.

a. The City has provided copies to the Authority of the scope of services provided by various Departments of the City (each a “**Department’s Scope of Services**”, and collectively the “**Department Services**”), copies of which are attached as **Exhibit A**. The Department Services set forth the current standards, guidelines, parameters of service levels for Baseline Services provided by such Departments within the District. Delivery of the Department Services also constitute a commitment by such Department to use their best efforts to complete all such listed services in a timely fashion and to respond timely to questions from the Authority regarding such performance, or lack thereof.

b. The City shall, in the absence of the circumstances described elsewhere in this Article II, at all times during the periods described in Section 2.03, provide Baseline Services of the kind and in the quantities described in the Department Services.

c. In order to monitor the Baseline Services, the City will designate a person(s) (with notice to the Authority of the selection) who will be empowered to collect and provide to the Authority reports from the applicable Departments of the City in form and content comparable to the Department Services, for each fiscal year during the term of this Agreement. Any updates to the Department Services (**Exhibit A**) shall be signed by the applicable Department head and submitted within two weeks after the approval of a final budget by the City Council.

2.03. Compliance with Baseline Services.

a. In the absence of the extenuating circumstances and subject to the factors described elsewhere in this Article II, the City agrees to provide Baseline Services throughout the initial period of authorization for the District, as set forth in the Ordinance.

b. Should the District be renewed as provided for in the Ordinance, this Agreement shall be extended for the succeeding period of operation, without the need for further action by the Board of Estimates.

c. The Baseline Services assumes an average level of demand and activity, and the parties recognize that Baseline Services provided on any particular day or period may vary based on special events, such as festivals, sports events, parades or conventions, or weather conditions, such as snowstorms or electrical storms, or unanticipated short-term demands outside the District. However, the expectation is that on the substantial majority of days in any year, the City will perform the Baseline Services as described in the Department Services.

d. The Baseline Services may be adjusted to reflect new methodologies and policies, such as the institution of greater foot patrols and other forms of community-based police enforcement, and with each renewal of the District, to consider changed circumstances, provided that the basic thrust and intent of the Ordinance is maintained in any adjustment and such adjustments are described in timely notices to the Authority.

2.04. Modifications.

a. As provided in the Ordinance, the following principles shall apply with regard to the provision, suspension, diminishment or increase of Baseline Services to the District:

1) No decrease in Baseline Services shall occur within the District unless there is an overall decrease in services necessitated by changes in funding, policy or resources, and then only in proportion to the decreased implemented elsewhere in Baltimore.

2) Any increase in Baseline Services generally throughout Baltimore shall be matched with increases in such services within the District, in proportion to the increased implemented elsewhere in Baltimore.

b. The City's obligations under clause (a) above are not intended to override or diminish the City's obligations generally to the people of the City of Baltimore.

2.05. Extenuating Circumstances.

a. Consistent with the Ordinance, the City shall be obligated to maintain Baseline Services at the levels required in Section 2.02, except as such levels of service are affected by the circumstances described in Sections 2.03 and 2.04. In addition, the City's agreements herein shall not be deemed to override any constitutional obligations of the City, or rights and obligations established by federal or state law, City Charter, or under order of courts of law.

b. In the event of extreme emergency, as declared by the Mayor of the City or the Governor of the State of Maryland, Baseline Services may be temporarily discontinued or reduced in all or part of the District, notwithstanding the continuation of such services elsewhere in Baltimore. The parties acknowledge that such circumstances are likely to be highly unusual and temporary in nature.

ARTICLE III AUTHORITY SERVICES

3.01. Supplemental Services of the Authority.

a. The Authority will provide Supplemental Services, funded by the surcharge on properties within the District, to the public parks, walkways, promenades, streets, roads, sidewalks and alleys within the District, and on the adjoining waters to the District, as permitted by the applicable laws, rules and regulations binding upon the Authority.

b. The Authority shall provide the Supplemental Services within the District, and adjoining waters, of the kind and in the quantities described in **Exhibit B**. Unless otherwise

specified in the text or the exhibits to this Agreement, the Authority is solely responsible for the costs incurred by the provision of the Supplemental Services.

3.02. No Additional City Funding. In no event shall the City provide any funding to the Authority for costs incurred by the Authority in the provision of the Supplemental Services, including tax-exempt properties.

3.03. Budget. On or before October 15 of each year after the Effective Date, the Authority shall provide the Director of Finance of the City with the Authority's budget for the applicable fiscal year.

3.04. Fiscal Year End Reports. Sixty (60) days after the end of each Fiscal Year, the Authority shall give the Director of Finance of the City financial reports (sources and uses of funds and a balance sheet) to the Budget Director of the Department of Finance, with a copy to the Office of the Mayor, attention CAO, summarizing its financial activities during the Fiscal Year. At such times and in such forms as the City may require of the Authority, there shall be furnished to the City such statements, records, reports, data, and information as the City may request pertaining to matters covered by this Agreement.

3.05. Financial Records. The Authority agrees (a) to maintain proper books and records adequate to enable independent certified public accountants to certify the use of all funds from all sources, (b) to retain such books and records and copies of the reports and statements for a period of three (3) years from termination or expiration of this Agreement, and (c) to make such books and records available for inspection by City and its auditors, agents and representatives at all reasonable times.

ARTICLE IV ADMINISTRATOR FOR THE AUTHORITY

The Authority may contract with an Administrator to provide day-to-day operations of the Authority as described in the Ordinance. The Authority shall require the provisions of this Agreement (including Articles VI, IX, and X), to be enforced by the Administrator or contractor utilized by the Authority to perform all or a material portion of its obligations under the Ordinance and this Agreement.

ARTICLE V TERM

The term of this Agreement shall coincide with the initial period of authorization of the District and any extension periods of the District.

ARTICLE VI INDEMNIFICATION AND INSURANCE

6.01. Indemnification. To the extent allowable under the Local Government Tort Claims Act, the Authority shall indemnify, defend and hold harmless the City, its elected/appointed officials, employees, agents, and volunteers from any and all claims, demands, suits, and actions, including attorney's fees and court costs, connected therewith, brought against the City, its elected/appointed officials, employees, agents, and volunteers, arising out of any

direct or indirect, willful or negligent, act or omission of the Authority, its employees, agents, volunteers, or subcontractors under this Agreement.

To the extent allowable under the Local Government Tort Claims Act, the City shall indemnify, defend and hold harmless the Authority, its elected/appointed officials, employees, agents, and volunteers from, any and all claims, demands, suits, and actions, including attorney's fees and court costs, connected therewith, brought against the Authority, its elected/appointed officials, employees, agents, and volunteers, arising out of any direct or indirect, willful or negligent, act or omission of the City, its employees, agents, volunteers, or subcontractors under this Agreement.

6.02. Insurance. The Authority shall not commence work under this Agreement until it has obtained all the insurance required under this section. Further, such insurance shall remain in force during the life of this Agreement. The Authority shall name the Mayor and City Council of Baltimore as additional insured on all policies. The Authority, at its sole expense, shall procure and maintain during the life of this Agreement the following required insurance coverage:

a. Commercial General Liability Insurance at limits of not less than Two. Million Dollars (\$2,000,000.00) per occurrence for claims arising out of bodily injuries or death, and property damages. With those policies with aggregate limits, a minimum limit of Four Million Dollars (\$4,000,000.00) is required. Such insurance shall include contractual liability insurance.

b. Business Automobile Liability at limits of not less than One Million Dollars (\$1,000,000.00) per occurrence for all claims arising out of bodily injuries or death and property damages. The insurance shall apply to any owned, non-owned, leased, or hired automobiles used in the performance this Agreement. As an alternative, Authority may add employers' non-ownership liability coverage to the policy required under clause (a) above.

c. The Authority's insurance shall apply separately to each insured against whom claim is made and/or lawsuit is brought, except with respect to the limits of the insurer's liability.

d. To the extent of the Authority's negligence, the Authority's insurance coverage shall be primary insurance with respects to the City, its elected/appointed officials, employees, agencies and agents. Any insurance and/or self-insurance maintained by the City, its elected/appointed officials, employees, agencies or agents shall not contribute with the Authority's insurance or benefit the Authority in any way.

e. Coverage shall not be suspended, voided, canceled, reduced, in coverage or in limits, except by the reduction of the applicable aggregate limit by claims paid, until after forty-five (45) days prior written notice has been given to the City. There will be an exception for non-payment of premium, which is ten (10) days' notice of cancellation.

f. Insurance is to be placed with insurers with a Best's rating of no less than A:VII, or, if not rated with Best's with minimum surpluses the equivalent of Bests' surplus size VII and must be licensed/approved to do business in the State of Maryland.

g. The Authority shall furnish the City with a “Certificate of Insurance” and a copy of the additional insured endorsement as verification that coverage is in force. The City reserves the right to require complete copies of insurance policies at any time.

h. The City, its elected/appointed officials, employees, agencies, and agents shall be covered, by endorsement, as additional insured as respects to: liability arising out of activities performed by or on behalf of the Authority in connection with this Agreement. Failure to obtain insurance coverage as required or failure to furnish Certificate(s) of Insurance as required may render this Agreement null and void at the sole discretion of the City; provided, however, that no act or omission of the City shall in any way limit, modify or affect the obligations of the Authority under any provision of this Agreement.

i. In the event that the Authority uses contractors or hires employees, it shall, (a) in the first instance, require both contractors and subcontractors to maintain commercially reasonable insurance either as required by the City, or if no requirements are specified, as is customary for the scope of the work required, and (b) in the second, maintain such worker’s compensation coverage as is required by applicable law.

ARTICLE VII BILLING AND COLLECTION

7.01. Billing. As provided in the Ordinance, the City through the Department of Finance, will provide all necessary billing services for the District, including the identification and maintenance of a register for all properties within the District, the preparation and mailing of bills for the Supplemental Tax.

7.02. Collection and Enforcement. As provided in the Ordinance, the City, through the Department of Finance, will collect the Supplemental Tax and transmit all amounts collected, net of refunds and collection losses, no less than bi-weekly in the first four months of each Fiscal Year (or part thereof covered by a billing), and monthly during the balance of the year, to the District by a check to an account maintained at a local branch of a FDIC-insured national bank. Collection and delinquency reports shall be provided monthly (or more frequently, if generated internally by the City). In addition, the City shall follow its customary procedures in collecting, liening and enforcing claims against delinquent taxpayers.

ARTICLE VIII MONITORING OF SERVICES

8.01. Monitoring of Baseline Services. In accordance with Section 2.02.c, the City will designate or identify an individual(s) responsible for monitoring the levels of Baseline Services performed by the City, and such individual shall advise the Authority from time to time of the performance of the Departments identified in **Exhibit A**. In addition, such individual(s) will:

- a. monitor the adequate performance of the Baseline Services;
- b. make recommendations to the parties regarding the need for improvement or modification of any Baseline Services;
- c. provide written notice to the Authority of material changes in Baseline Services;
and

- d. review any written notice provided by the parties.

8.02. Authority Monitoring of Supplemental Services. The Authority will designate an individual who is responsible for the following activities;

- a. monitoring the adequate performance of the Supplemental Services;
- b. making any recommendations to the parties regarding the need for improvement or modification of any Supplemental Services;
- c. providing written notice to the affected Department(s) of material changes in the Supplemental Services; and
- d. reviewing any written notice provided by the parties.

8.03. Appeal to CAO. In the event that the individual(s) designated pursuant to Section 8.01. or any Department fails to provide the requisite level of Baseline Services or information regarding such Baseline Services within a reasonable period after notice to such individual(s) or Department(s) thereof, the Authority may seek relief from the CAO.

ARTICLE IX MINORITY AND WOMEN'S BUSINESS OPPORTUNITY REQUIREMENTS

The Authority shall be subject to the City's policy on encouraging and achieving goals for participation of minority and women's business enterprises in contracting activities as outlined in the Baltimore City Code 2000, Article 5, Subtitle 28 (pertaining to Minority and Women's Business Enterprise), as amended, which is incorporated into this Agreement by reference.

ARTICLE X MISCELLANEOUS PROVISIONS

10.01. Retention of Records. Except as otherwise stated in the Ordinance, the Authority and its contractors shall maintain and retain all records and other documents related to this Agreement for a period of three (3) years from termination or expiration of this Agreement, or pursuant to any applicable statute of limitations, whichever is longer, except in cases where unresolved audit questions require retention for a longer period as determined by the City. The Authority shall make such records and documents available for inspection and audit at any time to authorized representatives of the City, and if applicable to state and/or federal government authorized representatives. If the Authority should cease to exist, custody of all records related to this Agreement will be transferred to the City.

10.02. Audits.

- a. At any time during regular business hours and as often as the City may deem necessary, there shall be made available to the City for examination, the Authority's records with respect to matters covered by this Agreement. The Authority shall permit the City to audit,

examine, and make excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, records of personnel, conditions of employment, and other data relating to matters covered by this Agreement.

b. The Authority shall be responsible for repayment of any and all applicable audit exceptions, which may be identified by City, state or federal auditors or their designated representatives and are material and adverse in nature to the City as to create an audit disallowance. The Authority will be billed by the City for the amount of said audit disallowance and shall promptly repay such audit disallowance; in the event of such an audit disallowance, the City may offset the City Funding to the Authority for the current Fiscal Year or subsequent Fiscal Year(s) by the amount of such audit disallowance.

10.03. Conflicts of Interest.

a. No member, official, representative, or employee of the City or Authority shall have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official, representative or employee participate in any decision relating to this Agreement which affects a personal association in which he is, directly or indirectly, interested. No member, official, representative or employee of the City shall be personally liable to the Authority or any successor in interest in the event of any default or breach by the City.

b. Any director, principal, officer, or employee of the Administrator shall execute the "Conflict of Interest Policy" attached as **Exhibit C**. Upon request, the Authority shall provide the City with copies of the executed Conflict of Interest Policies from the Administrator.

c. Notwithstanding the above, the parties acknowledge and agree that the participation of directors of the Authority, appointed, selected or designated by the City, in any decisions relating hereto, will not constitute a conflict of interest

10.04. Invalidity of Particular Provisions. If any term or provision of this Agreement or the application thereof to any person or circumstance shall to any extent be invalid or unenforceable, the remainder of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

10.05. Third Party Beneficiary. Nothing contained in this Agreement shall be construed to confer upon any other party the rights of a third-party beneficiary, except as may be otherwise specifically provided for herein. The terms of this Agreement are not intended to and shall not supersede the terms of any agreement between the City and any third party. Further, this Agreement does not create any obligations of the City to any third party related to its private property, nor provide a third party with any rights related to City property.

10.06. Multiple Copies. This Agreement may be executed in any number of copies and each such copy shall be deemed an original.

10.07. Force Majeure. The provisions of this Agreement are subject to the following limitations: If by reason of acts of God, labor dispute or any cause or event not reasonably within the control of a party hereto, that makes it impossible for a party to perform in whole or in part its obligations referred to in this Agreement, the affected party shall not be deemed in

default during the continuance of such inability to perform. The affected party shall use reasonable efforts to remedy the cause or causes preventing it from carrying out its obligations under the Agreement; provided, that the settlement of strikes, lockouts and other industrial disturbances shall be entirely within the discretion of the affected party, and the affected party shall not be required to make settlement of strikes, lockouts and other industrial disturbances by acceding to the demands of the opposing party or parties when such course is, in the judgment of the affected party, unfavorable to the affected party.

10.08. Disclaimer of Partnership Status. Nothing in the provisions of this Agreement shall be deemed in any way to create between the Authority and the City, any relationship of partnership, joint venture, or association and the parties to this Agreement hereby disclaim the existence of any such relationship.

10.09. Notice. Except as otherwise provided herein, all notices required to be given or authorized to be given pursuant to this Agreement shall be in writing and shall be delivered or sent by registered or certified mail, postage prepaid, or by commercial messenger to:

in the case of the City:

Office of the Mayor
100 North Holliday Street, Room 250
Baltimore, Maryland 21202
Attn: CAO

a copy to:

Office of the Mayor
100 North Holliday Street, Room 250
Baltimore, Maryland 21202
Attn: Deputy Mayor for Economic Development

And:

City Solicitor
100 North Holliday Street, Room 101
Baltimore, Maryland 21202

and in the case of the Authority:

c/o MAG Partners
101 W. Dickman Street – Suite 200
Baltimore, Maryland 21230
Attn: Christopher Smith, Counsel

and

c/o Port Covington Community Benefits District Management Authority

Executive Director
101 W. Dickman Street – Suite 200
Baltimore, Maryland 21230
Attn: Claudia Jolin

with a copy to:
Ballard Spahr LLP
111 South Calvert Street, 27th Floor
Baltimore, Maryland 21202
Attn: Mark Pollak, Esquire

10.10. Amendment of Agreement. Any and all modifications to the terms of this Agreement must be by a written amendment, signed by the parties and approved by the Board of Estimates of Baltimore City.

10.11. Assignment. A party shall not assign this Agreement, except with the prior written approval of the parties and the Board of Estimates of Baltimore City, which approval shall be subject to such conditions and provisions as the City may deem necessary. This Agreement shall be incorporated by reference into any assignment and any assignee shall comply with all of the provisions of this Agreement.

10.12. Governance. This Agreement shall be construed by and governed under the laws of the State of Maryland and subject to the jurisdiction of its courts. Any litigation between the parties relating to this Agreement shall be filed in a court of competent jurisdiction in Baltimore City.

10.13. Gender. Words of gender used in this Agreement may be construed to include any gender; words in the singular may include the plural, and vice versa.

10.14. Interpretation. In the event of any question regarding the meaning of any of the provisions of this Agreement, the interpretation placed thereon by the City shall be final and binding on the parties hereto, provided that any such interpretation shall not be unreasonable.

10.15. Headings. Any heading of the paragraphs in this Agreement is inserted for convenience and reference only, and shall be disregarded in construing and/or interpreting this Agreement.

10.16. Recitals. The recitals are hereby incorporated as part of this Agreement.

10.17. No Waiver. The waiver of any term of this Agreement, or the failure of the City to insist on strict compliance or prompt performance of any terms of this Agreement, followed by the acceptance of such performance thereafter, shall not constitute or be construed as a waiver or relinquishment of any right by the City to enforce all terms strictly in the event of a continuous or subsequent default.

10.18. Nondiscrimination. The Authority shall operate under this Agreement so that no person otherwise qualified is denied employment or other benefits on the grounds of race, color, religion, ancestry, national origin, sex, age, marital status, sexual orientation, disability or other

unlawful forms of discrimination except where a particular occupation or position reasonably requires consideration of these attributes as an essential qualification for the position. The Authority shall post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

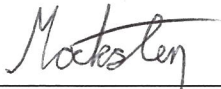
10.19. Compliance with Laws. The Authority shall comply with all federal, state and local laws, ordinances, rules and regulations as well as applicable codes of ethics, pertaining to or regulating the provision of the services, including those now in effect and hereafter adopted.

10.20. Entire Agreement. This Agreement constitutes the entire, full and final understanding between the parties hereto and neither party shall be bound by any representations, statements, promises or agreements not expressly set forth herein.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered retroactively as of the Effective Date.

ATTEST

MAYOR AND CITY COUNCIL OF BALTIMORE

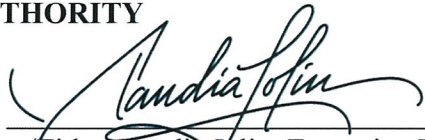

Custodian of the City Seal

By: 
Brandon Scott, Mayor

WITNESS

PORT COVINGTON COMMUNITY
BENEFITS DISTRICT MANAGEMENT
AUTHORITY


Jennifer Hearn

By: 
Name/Title: Claudia Jolin, Executive Director (SEAL)

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY

APPROVED BY THE BOARD OF ESTIMATES


CHIEF SOLICITOR 5/16/2024
DATE


CLERK 06-26-2024
DATE

EXHIBIT A

DEPARTMENT SERVICES

This Exhibit lists the Baseline Services to be provided by the City within the District and categorized by each Department providing those services (the Department Services).

Periodic updates to the Department Services to be provided in future fiscal years may be negotiated and approved by mutual agreement and shall constitute an amendment to this Agreement. Such updates shall be signed by the applicable Department head and submitted within two weeks after the approval of a final budget by the City Council for that fiscal year.

Please refer to the descriptions of Department Services for following City Departments as included below.

- **SECTION A-1:** **BCRP** – Baltimore City Department of Recreation and Parks.
- **SECTION A-2:** **BPD** – Baltimore City Police Department
- **SECTION A-3:** **DOT** – Baltimore City Department of Transportation.
- **SECTION A-4:** **DPW** – Baltimore City Department of Public Works.

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EXHIBIT A – SECTION A-1

BCRP – Baltimore City Department of Recreation and Parks

The following statement describes the services the Baltimore City Department of Recreation and Parks will provide in the PORT COVINGTON COMMUNITY BENEFITS DISTRICT MANAGEMENT AUTHORITY unless budget reductions or other unforeseen circumstances force citywide program reductions.



Reginald Moore, Director

05/14/2024

Date

I. BCRP Baseline Services – BCRP shall provide the following services generally:

- a. Grass Mowing.
- b. Trash Collection.
- c. Park operation (e.g. permitting, special events, hours, restroom opening and closing, restroom fixture maintenance, rule enforcement).
- d. Lighting.
- e. Structure.
- f. Utilities (e.g. power, telecommunications, plumbing, and irrigation).
- g. Maintain all structural elements of all improvements within the Parks, excluding subsurface elements.
- h. Pay all water bills, except those water bills associated with Events discussed below.
- i. Pay all electric bills, except those electric bills associated with Events discussed below.
- j. Provide Park Rangers regularly, as capacity allows, to advise patrons regarding violations of Park Rules and to liaise with BPD as necessary.
- k. Provide rodent control, unless the Authority elects to provide this service.
- l. Enforce all applicable laws and issue citations to provide for clean, safe, and sanitary conditions in the Parks.
- m. Repair and replace all hardscape areas, and all light poles and fixtures, trash cans, and other similar items, as needed.
- n. Elijah's Park, Rye Street Park, and future Parks to be established within the District, to be coordinated among the Developer, the Authority, and BCRP, falls under the jurisdiction of BCRP and is governed by the Park Rules;
- o. Comply with its obligations set forth in those certain Deeds of Dedication relating to District improvements and all future similar deeds conveying to the City any interests in the Parks;
- p. Events at the Parks within the Project require a permit and are subject to the Special Conditions of Use for Port Covington Management District Parks (set forth below).
- q. BCRP shall use its best efforts to grant use of the Parks for up to five (5) private gatherings per calendar year, per Park, sponsored by the Authority or Developer or an affiliate, subject to the terms and conditions hereof. The schedule for these private gatherings shall be mutually agreed upon by BCRP and the Authority.

Special Conditions of Use for Port Covington Management District Parks

For the use and enjoyment of or conduct within the City's parks (the "Parks"), including, but not limited to, any event or application to use the Parks, BCRP has agreed with the Authority, that the special conditions set forth herein (collectively, "Special Conditions") shall apply to the Parks. The parties recognize that the Special Conditions apply to the use and enjoyment of the Parks because of the unique nature of all improvements at Port Covington and the proximity between the Parks and the other Port Covington buildings and improvements.

Parks and the private improvements at Port Covington. If and to the extent that BCRP Rules and Regulations applicable to similarly situated City parks (the "Park Rules") require a City Co-Sponsor for public events within Elijah's Park, Rye Street Park, and future Parks, BCRP will designate the Authority as a Co-Sponsor, provided that such designation is not exclusive. BCRP and the Authority agree to consult with one another from time to time to discuss possible modifications to the Special Conditions and Park Rules that may be necessary to preserve the first-class nature of the Parks and the other Port Covington buildings and improvements. The Authority shall manage the use and operation of the Parks to the extent set forth herein and may not be replaced without the prior written consent of BCRP.

Introduction

The Special Conditions set forth the rules, regulations, and criteria for conduct within the Parks. Although the parties agree that there are currently no conflicts between the Park Rules and the Special Conditions, in the event that the parties reasonably determine that a new Park Rule is proposed or under consideration in the future that may conflict with the Special Conditions or otherwise have a negative impact upon the Parks or the other private improvements at Port Covington, the parties agree (a) that they will consult in good faith to resolve such conflict and/or negative impact; (b) that in connection with such good-faith consultation, they will take into consideration (i) the unique nature of the Parks and the private improvements at Port Covington and the interests of the owners, tenants, and occupants in the preservation thereof, and (ii) the close proximity between the Parks and the private improvements at Port Covington; and (c) that no such proposed Park Rule shall be applicable to the Parks until and unless the parties have engaged in such good-faith consultation and have explored all reasonable alternatives and possible mitigation.

Special Conditions

1. **Alcohol.** Open-air alcohol consumption is prohibited in the Parks, except on the premises of properly licensed establishments, or unless the City has granted a special permit for alcohol consumption.

2. **Bathrooms.** Elijah's Park has limited public restrooms and Rye Street Park does not have bathrooms. If an applicant anticipates large crowds or other need for restroom capacity at an event (or if BCRP determines that such need exists), the applicant shall include portable restrooms in its event proposal, to be sited at locations BCRP approves after consultation with the Authority, all at the applicant's expense.

3. **Demonstrations and Leafletting.** The conduct of demonstrations and leafletting in the Parks, including permitting therefor, shall be determined in accordance with the Park Rules in effect from time to time and subject to applicable constitutional and legal constraints. Consistent with such constraints in effect from time to time, and in consultation with the Authority, BCRP may institute such reasonable limitations and rules with respect to demonstrations and leafletting as may be reasonably necessary to prevent interference with the normal and customary operations of the Parks.

4. **Electricity.** There is a fee for electrical services. If an event requires its own generator, the applicant must place it at a location BCRP approves, after considering the recommendation of the Authority.

5. **Furniture.** The chairs, tables, and benches in the Parks are for public use at all times during which the Parks are open (dawn to dusk). However, if an event applicant desires to use its own tables and chairs for the event or audience, it may be requested in the application and subject to BCRP's approval.

6. **Gardens and Grounds.** The lawn, foliage, and all other hardscape and landscape items must be protected from damage at all times. BCRP will work with an applicant to devise a mutually acceptable protection plan with the design, number, and location of load-in, and load-out spaces, subject to approval of BCRP.

7. **Hours.** Park hours are from dawn to dusk unless otherwise approved by BCRP. Events with sound amplification scheduled past 9 p.m. require approval of BCRP after good faith consultation with the Authority.

8. **Lawn.** The availability of any particular lawn area depends on weather conditions on the day of and in the days prior to the event. If an applicant plans to use lawn areas for an event, it must propose an alternate plan in case the lawn areas are unavailable. All vehicles, whether motorized or not, shall remain entirely on paved roadway areas at all times.

9. **Park Availability.** Although the Parks are generally open to the public, an event applicant may request that BCRP direct non-participating members of the public to remain in areas not in active use for the event, such request to be approved or rejected by BCRP promptly, at its discretion, in coordination with the Authority.

10. **Signage.** BCRP must approve all event signage or signage distribution in the Parks, after consultation with the Authority.

11. **Sleeping.** Subject to the Park Rules in effect from time to time, no person shall sleep or lie upon any park bench, seat, rail, balustrade, fence, step, doorway, platform, paved area, or any other man-made surface or structure within the Parks.

12. **Sound.** Subject to all other applicable noise restrictions, an 80-decibel sound limit applies in the Parks. No sound amplification or audio-visual equipment shall be allowed within a Park without a permit. BCRP will work with an applicant to ensure the most effective sound scheme for an event, after consultation with the Authority.

13. **Structures.** The location of any temporary structures shall be on a paved roadway or sidewalk area only, unless otherwise approved by BCRP. Any necessary anchoring of each stage, tent, or other temporary structure shall be by weights or oilier non-puncturing device, not by attachment to any trees, shrubbery, other hardscape, or landscape, nor by anchors or punctures in the lawn or landscaped areas of the Parks. All structures, regardless of location, shall be limited to a weight maximum of 250 pounds per square foot of live load.

14. **Trash.** An applicant is responsible to bag and remove all trash (including cardboard) generated from an event upon its conclusion. Applicants should consider hiring a private trash carting service or the City Bureau of Solid Waste for this service. Trash cannot be left next to garbage cans, on the curb, or anywhere else in Port Covington. Failure to properly remove trash will result in an assessment to the applicant for the cost of removal. For any event attended by in excess of 200 people, the applicant shall arrange for placement of an adequate number of receptacles for recycling as well as trash and shall arrange for proper and timely pickup by the City or other private person or vendor, all at the applicant's expense.

15. **Vending.** The sales of services, food, merchandise, or any other item, including but not limited to, an exchange of an item or service for tips or donations, is expressly prohibited unless authorized specifically in the relevant event permit, to be determined by BCRP after consultation with the Authority. All food vendors must use protective coverings to protect the ground against spillage, drainage, and damage to asphalt or other paving, grass, or other surface. Vendors who are frying, grilling, or using grease or oils must install rubber roofing or tar paper to cover the entire space. Vendors must place grease barrels on nonporous tar paper if located on pavement and shall not locate them on lawn areas.

16. **Weather.** Events are rain or shine. Weather-related postponements will be considered in accordance with BCRP's policies in effect from time to time.

17. **Personal Conduct.** Without limiting the foregoing but subject to applicable constitutional and legal constraints applicable to the Parks, the following standards and conditions shall apply and govern all use and enjoyment of the Parks and the adjoining property within Port Covington:

- a. motorized bicycles, motorized skateboards, motorized scooters, and all other motorized vehicles, whether powered via electricity or internal combustion, shall not be operated within the Parks, except, but with respect only to legal motorized vehicles, on public streets or other rights-of-way expressly dedicated to public vehicular traffic.
- b. camping, abusive behavior, Aggressive Solicitation (as defined in the park Rules), and all similar public nuisance activities are prohibited.
- c. diving, swimming, fishing, crabbing, or other similar activities undertaken in or from the Parks in the water adjacent to the Parks are prohibited, unless part of a coordinated/programmatic educational or enrichment activity (e.g., aquaculture programs, water quality enhancement initiatives, etc.).
- d. except as otherwise set forth in (c) above, wild animals, birds, and aquatic life shall not be fed from or within the Parks; and

e. without limiting the foregoing, no other use shall be made of the Parks, nor any conduct or behavior permitted therein if the same shall have the effect of disturbing the peace or impeding the use and enjoyment of the Parks or adjoining private improvements.

Event Application Process

18. **Event Application.** An applicant applying for a Special Event Permit, General Park Use Permit, or any other use requiring approval of BCRP is to submit the appropriate event application to BCRP's Permits Office in accordance with the Park Rules. BCRP will forward the application and any additional event information to the Authority for comment as part of the event application review process.

19. **Submission.** Applications for any public event shall be submitted at least 120 days preceding the event. Private event applications shall be submitted at least thirty (30) days preceding the event. BCRP will provide the contact information for the Authority if a City Co-Sponsor is needed. For any new event or significant event, the applicant and the Authority will be invited to attend a review meeting with BCRP if BCRP considers such a meeting appropriate. BCRP will reasonably consider the Authority's comments and advice with respect to any proposed event or any particular type of event.

20. **Response Time.** BCRP will review fully completed applications in accordance with the applicable provisions of the Park Rules and will provide any comments to the applicant to the Authority. The original proposal may require revisions based on time and space restrictions, Park Rules, protection of the Parks, logistical complications, and comments from other City agencies or surrounding community organizations, as deemed appropriate by BCRP.

Expenses and Permits

21. **Liability Insurance.** The applicant is to provide liability insurance as BCRP requires. A typical policy covers a minimum of \$1,000,000 per occurrence. Insurance shall include the Authority as an additional insured.

22. **Damage and Deposit.** The applicant shall pay for all damage to the Park in each instance in which such damage occurs as a result of or relating to the event in question. Pursuant to the Park Rules, BCRP may require an applicant to provide a deposit to pay for any damage to City property or other violation of the permit for the event. The deposit amount relates appropriately to the size and nature of the event, the use of the event is making of the various areas of Parks at issue.

23. **Security.** The City does not provide security personnel. Based upon the nature of the event, BPD, through the application review process, will determine the need and scope of security services needed for each event. For the protection of the Parks, however, the Authority may recommend the City require the applicant to hire security officers for appropriate times and places.

24. **Sanitation.** The City may provide sanitation services for events for a fee. Each event application requires the submission of a sanitation plan approved by the City after considering the recommendation of the Authority.

25. **Permits.** The applicant may need other permits associated withholding events in Baltimore City, including any special events permits that are customarily issued by other City agencies, Amplified Sound Permits, Parking Permits, DOT Permits, Department of Buildings Permits, music copyright licenses (BMI, ASCAP, or others), and any other license or permit that may be necessary. Following issuance, the applicant will provide BCRP and the Authority with copies of each permit immediately following issuance.

Modification of Provisions

26. Although the term “Parks” as used herein means all the Parks at Port Covington, the parties have agreed that, because of the difference in size and location of the Parks, only the Elijah’s Park and Rye Street Park shall initially be available for, and BCRP will consider applications only with respect to, events in Elijah’s Park and Rye Street Park.

Incorporation in Park Rules

27. It is the City’s intention to seek to incorporate these Special Conditions of Use for the Port Covington Parks within the Park Rules, subject to obtaining the required approvals therefor, including approval by the Baltimore City Council, if needed. The Authority and BCRP shall work cooperatively to assess any necessary modifications to these Special Conditions concurrently with any renewal of the District, the Authority, or the Baseline Services MOU.

Map of Parks

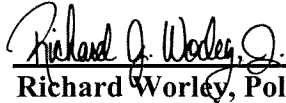


EXHIBIT A – SECTION A-2

BPD – Baltimore City Police Department

The following statement describes the services the Baltimore City Police Department will undertake to provide in the District, provided, however, that any BPD commitments are subject to available resources, including but not limited to, sworn and non-sworn personnel and other human resources, financial and other resources. BPD's undertaking are also subject to change based upon the City's public safety priorities and BPD's commitments to the City's public safety as determined by City and/or BPD leadership. BPD's services are subject to applicable US and Maryland laws, rules and regulations and also BPD's policies and procedures, as amended from time to time.

On January 12, 2017, following an investigation by the U.S. Department of Justice ("DOJ"), the City and BPD entered into an Agreement and proposed consent decree (the "Consent Decree") to ensure that, among other things, the City and BPD protect individuals' statutory and constitutional rights, and promote public safety in a manner that is fiscally responsible and responsive to community priorities. On April 17, 2017, the Consent Decree was entered as an Order of the United States District Court, District of Maryland (the "Federal Court") in the case titled United States v. Baltimore Police Dept., et al., No. 17-cv-00099-JKB (ECF 2-2). The Federal Court retains jurisdiction over the City's and BPD's police reform requirements under the Consent Decree. The services provided under this MOU are intended to further the implementation of the Consent Decree.



Richard Worley, Police Commissioner, Baltimore City Police Department

4/24/24

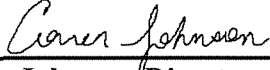
Date

Function	Description
Police Services	• BPD's mission, in partnership with the Baltimore community, is to protect and preserve life, enforce the laws of the State and City, protect property, understand and serve the needs of the City's neighborhoods, and to improve the quality of life in the community. BPD's Southern District is primarily responsible for furthering BPD's mission in the area that includes the Port Covington Community Benefits District • The BPD will work in partnership with the Port Covington Community Benefits District to provide police services, which includes but is not limited to efforts to prevent and deter criminal activity, response to calls for service, community engagement and criminal investigations • BPD police officers from various units within the District may be assigned to the Port Covington Community Benefits District as determined by BPD in the interest of public safety and crime reduction strategies. BPD police officers are deployed as appropriate on an as needed basis and are not permanently assigned to a particular beat. •
	• Events requiring police coverage within the District can best be addressed by timely notification by the District to the BPD of any such events. The District area may also be covered by personnel drawn from all divisions, districts, sections, and units of the BPD for certain events or incidents.
	• Due to the nature of police work, services to the District vary widely depending upon the current nature of services required at any given time. BPD endeavors to meet the ever-changing requirements of Baltimore City including but not limited to the District community and maintain the flexibility to reassign personnel at any given moment for either emergency reasons or unplanned events.
	• BPD will patrol streets, promenade, and adjacent areas by motorized units, on foot and on bike or through other deployments, as determined from time to time by BPD. BPD will coordinate with security officers in the District in the normal course of its police services.

EXHIBIT A – SECTION A-3

DOT – Baltimore City Department of Transportation

The following statement describes the services the Baltimore City Department of Transportation will provide in the District unless budget reductions or other unforeseen circumstances force citywide program reductions.



4/19/2024

Corren Johnson, Director

Date

Function	Description
Streets and Sidewalks Surface Maintenance	- Streets and sidewalks in the District, including all pavers, asphalt and concrete - DOT Maintenance sidewalk repairs are limited only to BGE footway restoration. Per code, other sidewalk maintenance is the responsibility of the property owner. Alternatively, BCODT repairs sidewalks under the footways contracts but the work ultimately gets billed to the property owner. For routine sidewalk issues, DOT maintenance will make it safe with asphalt until the responsible party can make permanent repairs. We have masons in-house that make minor brick repairs but if there's anything needing reconstruction of the sub-base, that's outside the capacity of DOT.
Grass Mowing and Lawn Maintenance- Labor	All mowing and edging in the District
Crosswalks and Streets – snow removal, crosswalk painting, and street signage installation	- Streets surrounding the District, including public streets in the District will be salted and plowed according to standard city snow removal practices. - Crosswalks will be painted, and street signage will be installed, repaired, and replaced per standard city practices, excluding any specialty or decorative crosswalks, which shall be the responsibility of the Authority. However, the Authority shall have the ability to repair and replace pavers per DA1427E standard and utilize the surplus paver stock.
Parking Enforcement	- There are parking control posts for the District. (These do not include point control personnel who are engaged in parking and moving control for a portion of their workdays.) - The size of the on-duty workforce varies from day to day because of court duty, vacation use, and similar factors; and during the course of the day because of a complex shift schedule and special events which can alter normal schedules. Because of the variability, average shift strength is difficult to estimate. There are agents and supervisors.

Function	Description
Benches	• Maintain wooden utility benches per specifications in DA1427E.
General Carpentry Maintenance – Labor	• Maintain non-structural wood surfaces and materials. • Possesses equipment necessary to perform this carpentry maintenance.
General Electrical Maintenance- Labor	• Install, maintain, and repair lighting and electrical functions per standards set forth in DA1427E, pursuant to which lighting supply materials will be stored on-site and available for repair and replacements. • Responsible for removing and installing light poles, cleaning globes, replacing bulbs and ballasts, and repairing cables. • Monitor and evaluate the inventory and recommend upgrades. • Possesses equipment necessary to carry out the above functions.
Special Events and Festivals	• Install and maintain lighting and electrical services for special events and festivals when requested from DOT's Special Events team through the permitting process.
Miscellaneous	• Maintenance of all salt boxes. • Paints wood and metal gates, benches, railings, fences, and sign-posts
Bike / Multimodal Lanes	• After initial installation by the Developer, maintain all bike lanes throughout the District including striping and repainting of "green areas" and maintenance, repair, and replacement of street dividers as necessary

EXHIBIT A – SECTION A-4

DPW – Baltimore City Department of Public Works

The following statement describes the baseline services that the Baltimore City Department of Public Works – Solid Waste Bureau will provide in the District unless budget reductions or other unforeseen circumstances force citywide program reductions. DPW reserves the right to modify its baseline services, including vehicles, equipment, and personnel, pursuant to the City Charter.

Khalil Zaied

04/19/2024

Khalil Zaied, Acting Director

Date

Function	Description
Mixed Refuse/Recycling Collection	Mixed refuse shall be collected as stated in Article 23. Subtitle 2 of the Baltimore City Code.
Public Can Collection	A Load packer Crew is assigned to service public trash cans 7 days per week.
Mad Vac Operation	One laborer is assigned to operate a Mad Vac to clean Cromwell St. and the internal footprint within the District Monday – Friday.
Street Sweeping Services	Mechanical Street Sweepers will clean the streets along the boundaries of the District, including Cromwell St, Hanover Street, and McComas Street on Sunday.
Interim Solution Pump Station	Per the Port Covington Sewer MOU and Specific Addendum to Port Covington Sanitary Holding Tank Permit Plans #2021-2467, once the facility is commissioned, DPW shall maintain the Sanitary Facility per Engineer's O&M manual.
Fire Hydrants	DPW shall maintain hydrants to industry standard schedule

EXHIBIT B
THE AUTHORITY'S SUPPLEMENTAL SERVICES

The Authority will provide Supplemental Services, funded by the surcharge on commercial properties within the District, to the public parks, plazas, walkways, the promenade, and sidewalks within the District, as permitted by the applicable laws, rules and regulations binding upon the Authority.

Supplemental services are those services above and beyond the services traditionally provided by City government, and beyond the Basic Services provided by the Authority. Supplemental Services are funded by property owners in the District, and are intended to create a higher level of quality and care than traditional City services or Basic Services provided by the Authority:

Maintenance: Provide sweeping and pressure washing services; paint posts, oil benches and chairs, clean bollards, and cleats around the District, provide supplemental trash removal services and empty dog waste bins, power wash the sidewalks, structures, benches, trash cans, tables and chairs in Elijah's Park and Rye Street Park; sweep leaves and other debris; clean the benches from frequent bird droppings; sweep to catch missed litter by City crews or in areas that are not covered by sweepers; empty trash cans when demand exceeds City scheduled pick up; remove graffiti; make minor repairs to benches and steps if DOT does not respond in a timely manner; paint poles; shovel snow from public areas. Report maintenance issues to proper City agencies.

Landscaping: Plant, hang and maintain hanging baskets and/or planters plant enhanced flower gardens; fertilize; prune perennials and shrubs; remove weeds from cracks in sidewalks, curbs, streets, etc; fertilize grass, provide extra mulching, maintain bioswales, stormwater management, mow and trim all grass areas, edge curbs and walkways (string trimmer), Provide turf maintenance (quarterly), spring – pre-emergent/broadleaf turf application, summer – fertilizer/pre-emergent/broadleaf application, Fall-Fertilizer/Broad leaf turf application, Winter-Dormant turf fertilizer application, aerate and overseed (annually), Provide spring clean (i.e.: light pruning, weeding, removal and replacement of dead plant material, , debris removal, leaf removal, mulching(twice annually if appropriate) planting seasonal flowers, and ensuring adequate watering; prune street trees and park trees; remove weeds from cracks in brick and curbs; irrigate by hand the turf and flowers in City-owned areas when City irrigation system fails make minor repairs to the City irrigation system replace park and street trees that have perished.

Events and Promotions: Conduct family friendly events in the District (e.g., at Elijah's Park, Rye Street Park, etc.); promote and publicize events to drive traffic to events in the District (e.g., concerts, movies, farmer's markets, festivals, kids events, food events, outdoor workouts, sporting events, etc...)

EXHIBIT C
CONFLICT OF INTEREST POLICY

Port Covington Community Benefits District Management Authority

Article I

Purpose

The purpose of the Conflict of Interest Policy is to protect the interest of the Port Covington Community Benefits District Management Authority (the "Authority") when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Authority or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Article II

Definitions

1. Interested Person

Any director, principal officer or a member of a committee with governing board delegated powers of the Authority, who has a direct or indirect financial interest, as defined below, is an interested person.

2. Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment or family:

a. An ownership or investment interest in any entity with which the Authority has a transaction or arrangement,

b. A compensation arrangement with the Authority or with any entity or individual with which the Authority has a transaction or arrangement, or

c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Authority is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Article III

Procedures

1. Duty to Disclose

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest to the Authority's governing board, any committee

on which the interested person serves, or the Chairperson of the Authority, and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

2. Determining Whether a Conflict of Interest Exists

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

3. Procedures for Addressing the Conflict of Interest

a. An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

b. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

c. After exercising due diligence, the governing board or committee shall determine whether the Authority can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Authority's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.

4. Violations of the Conflicts of Interest Policy

a. If the governing board or committee has reasonable causes to believe a member has failed to disclose actual or possible conflicts of interest, the Chairperson or Vice Chairperson on the Authority's behalf shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Article IV

Records of Proceedings

The minutes of the governing board and all committees with board delegated powers shall contain:

a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.

b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Article V

Compensation

a. A voting member of the governing board who receives compensation, directly or indirectly, from the Authority for services is precluded from voting on matters pertaining to that member's compensation.

b. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Authority for services is precluded from voting on matters pertaining to that member's compensation.

c. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Authority, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Article VI

Annual Statements

Each director, principal officer and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

- a. Has received a copy of the conflicts of interest policy,
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy, and
- d. Understands the Authority must engage primarily in activities which accomplish one or more of its governmental purposes.

Article VII

Periodic Reviews

To ensure the Authority operates in a manner consistent with its governmental status, periodic reviews shall be conducted by members of the governing board as appointed by the Chairperson of the Authority. The periodic reviews shall, at a minimum, include the following subjects:

- a. Whether the compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the Authority's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further governmental purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

Article VIII

Use of Outside Experts

When conducting the periodic reviews as provided for in Article VII, the Authority may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

I hereby acknowledge receipt of this Conflict of Interest Policy for the Authority and agree to abide by the provisions contained therein.



Signature

Claudia Jolin

Name

04/09/2023

Date