

HOUSE BILL 301

Unofficial Copy  
C8

2001 Regular Session  
(11r0179)

**ENROLLED BILL**

-- Economic Matters/Economic and Environmental Affairs and Budget and Taxation --

Introduced by **The Speaker (Administration) and Delegates R. Baker, Barve, Bobo, Branch, Bronrott, Brown, Busch, Cole, D'Amato, Franchot, Giannetti, Gladden, Gordon, Hammen, Hubbard, Hurson, V. Jones, K. Kelly, Kirk, Krysiak, Marriott, McHale, McIntosh, Mitchell, Moe, Morhaim, Oaks, Phillips, Pitkin, Rawlings, Redmer, Rosenberg, Rosso, Turner, and ~~Zirkin~~ Zirkin, and Kach**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.

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Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this  
\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_M.

\_\_\_\_\_  
Speaker.

CHAPTER 567

1 AN ACT concerning

2 **"Smart Growth" and Neighborhood Conservation - Community Legacy**  
3 **Program**

4 FOR the purpose of establishing a Community Legacy Program in the Department of  
5 Housing and Community Development; ~~declaring the findings of the General~~  
6 ~~Assembly~~; specifying the purposes of the Program; establishing a Community  
7 Legacy Board in the Department; providing for the membership of the Board;  
8 specifying the chairperson of the Board; providing for the formation of the  
9 Board; requiring a certain sponsor to file a certain application; specifying the  
10 contents of a certain application; requiring a certain sponsor to demonstrate  
11 that a certain area meets certain requirements; specifying criteria that the  
12 Board is to apply in approving an application and in referring an award of

1 certain financial assistance to the Secretary; requiring the Department and a  
 2 sponsor to execute a certain agreement; authorizing the Department to exercise  
 3 certain powers and duties; requiring certain reports be filed by certain dates;  
 4 establishing an Advisory Committee to the Board; specifying the purpose of the  
 5 Advisory Committee; specifying the membership and terms of the Advisory  
 6 Committee; creating a Community Legacy Financial Assistance Fund as a  
 7 continuing, nonlapsing fund; ~~requiring the Governor to include certain~~  
 8 ~~appropriations to the Fund in the budget bill for certain fiscal years;~~ defining  
 9 certain terms; specifying the terms of the initial members of the Advisory Board;  
 10 providing for the construction of this Act; and generally relating to the  
 11 establishment of the Community Legacy Program.

12 BY adding to

13 Article 83B - Department of Housing and Community Development  
 14 Section 4-801 through ~~4-812~~ 4-811, inclusive, to be under the new subtitle  
 15 "Subtitle 8. Community Legacy Program"  
 16 Annotated Code of Maryland  
 17 (1998 Replacement Volume and 2000 Supplement)

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

20 **Article 83B - Department of Housing and Community Development**

21 **SUBTITLE 8. COMMUNITY LEGACY PROGRAM.**

22 4-801.

23 ~~THE GENERAL ASSEMBLY DECLARES THAT:~~

24 ~~(1) SPRAWL DEVELOPMENT AND OTHER MODIFICATIONS TO THE~~  
 25 ~~LANDSCAPE IN MARYLAND CONTINUE AT AN ALARMING RATE, THREATENING THE~~  
 26 ~~EXISTENCE OF MANY COMMUNITIES THROUGHOUT THE STATE;~~

27 ~~(2) THE LACK OF REINVESTMENT IN COMMUNITIES BY RESIDENTS AND~~  
 28 ~~BUSINESSES HAS CAUSED THE LOSS OF CONFIDENCE IN MANY COMMUNITIES~~  
 29 ~~WHICH HAS RESULTED IN THE DECLINE OF PROPERTY VALUES AND THE SHIFT OF~~  
 30 ~~RESIDENTS AWAY FROM THE COMMUNITY;~~

31 ~~(3) MANY OF THESE COMMUNITIES HAVE RESOURCES AVAILABLE TO~~  
 32 ~~THEM THAT, WHEN STRENGTHENED BY STATE RESOURCES, CAN ENABLE THEM TO~~  
 33 ~~REVERSE THESE TRENDS AND PROSPER;~~

34 ~~(4) THE INVESTMENT IN THE REVITALIZATION OF EXISTING~~  
 35 ~~COMMUNITIES IS NECESSARY TO REDUCE OUTWARD PRESSURE FOR SPRAWL,~~  
 36 ~~PRESERVE THE ETHNIC AND ECONOMIC DIVERSITY OF EXISTING COMMUNITIES,~~  
 37 ~~AND ENHANCE COMMUNITY LIFE FOR BUSINESSES AND RESIDENTS; AND~~

1           (5)     ~~ALTHOUGH EXISTING STATE, COUNTY, AND LOCAL HOUSING AND~~  
2 ~~COMMUNITY DEVELOPMENT PROGRAMS HELP TO ADDRESS THE EFFECT OF SPRAWL~~  
3 ~~DEVELOPMENT, THERE IS A NEED FOR A PROGRAM WHICH LEVERAGES AVAILABLE~~  
4 ~~ASSISTANCE TO PREVENT OR REVERSE DECLINE OR DISINVESTMENT IN EXISTING~~  
5 ~~COMMUNITIES THROUGH IMPROVEMENTS IN RESIDENTIAL, COMMERCIAL, AND~~  
6 ~~OTHER PUBLIC OR PRIVATE PROPERTIES.~~

7 ~~4-802.~~

8     (A)     IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS  
9 INDICATED.

10    (B)     "APPLICATION" MEANS AN APPLICATION TO THE BOARD THAT MAY  
11 INCLUDE ONE OR MORE OF THE FOLLOWING:

12           (1)     A REQUEST THAT AN AREA BE DESIGNATED AS A COMMUNITY  
13 LEGACY AREA;

14           (2)     A REQUEST TO APPROVE A COMMUNITY LEGACY PLAN; OR

15           (3)     A REQUEST TO APPROVE A COMMUNITY LEGACY PROJECT.

16    (C)     "BOARD" MEANS THE COMMUNITY LEGACY BOARD.

17    (D)     (1)     "COMMUNITY DEVELOPMENT ORGANIZATION" MEANS A  
18 CORPORATION, FOUNDATION, OR OTHER LEGAL ENTITY WHICH OPERATES FOR THE  
19 PURPOSE OF ~~DEVELOPING COMMUNITY LEGACY PLANS OR IMPLEMENTING~~  
20 ~~COMMUNITY LEGACY PROJECTS~~ IMPROVING THE PHYSICAL, ECONOMIC, OR SOCIAL  
21 ENVIRONMENT OF ITS GEOGRAPHIC AREAS OF OPERATION.

22           (2)     "COMMUNITY DEVELOPMENT ORGANIZATION" DOES NOT INCLUDE A  
23 CORPORATION, FOUNDATION, OR OTHER LEGAL ENTITY IN WHICH ALL OR A  
24 PORTION OF THE NET EARNINGS INURES TO THE BENEFIT OF ANY PRIVATE  
25 SHAREHOLDER OR INDIVIDUAL HOLDING AN INTEREST IN THAT ENTITY.

26    (E)     "COMMUNITY LEGACY AGREEMENT" MEANS AN AGREEMENT BETWEEN  
27 THE DEPARTMENT AND A SPONSOR TO DEVELOP A COMMUNITY LEGACY PLAN OR  
28 IMPLEMENT ONE OR MORE COMMUNITY LEGACY PROJECTS IN A DESIGNATED  
29 COMMUNITY LEGACY AREA.

30    (F)     "COMMUNITY LEGACY AREA" MEANS AN AREA:

31           (1)     LOCATED IN A PRIORITY FUNDING AREA; AND

32           (2)     DETERMINED BY THE BOARD TO SATISFY THE REQUIREMENTS OF §  
33 ~~4-806~~ 4-805 OF THIS SUBTITLE.

34    (G)     "COMMUNITY LEGACY PLAN" MEANS A PLAN SUBMITTED BY A SPONSOR  
35 TO THE BOARD FOR APPROVAL WHICH MAY CONSIST OF ONE OR MORE COMMUNITY  
36 LEGACY PROJECTS DESIGNED TO PREVENT OR REVERSE DECLINE OR

1 DISINVESTMENT IN A COMMUNITY LEGACY AREA THROUGH IMPROVEMENTS IN  
2 RESIDENTIAL, COMMERCIAL, OR OTHER PUBLIC OR PRIVATE PROPERTIES.

3 (H) (1) "COMMUNITY LEGACY PROJECT" MEANS A PROJECT OR PROJECTS  
4 SUBMITTED BY A SPONSOR TO THE BOARD FOR APPROVAL THAT IS CONSISTENT  
5 WITH A COMMUNITY LEGACY PLAN.

6 (2) "COMMUNITY LEGACY PROJECT" INCLUDES PROJECTS TO:

7 (I) CREATE, IMPROVE, OR PRESERVE HOUSING OPPORTUNITIES,  
8 INCLUDING THE ACQUISITION, CONSTRUCTION, REHABILITATION, OR  
9 IMPROVEMENT OF NEW OR EXISTING HOMEOWNERSHIP OR RENTAL PROPERTIES;

10 (II) STRATEGICALLY DEMOLISH ~~PROPERTIES~~ BUILDINGS OR  
11 IMPROVEMENTS TO ENHANCE THE USE OF LAND;

12 (III) CREATE, IMPROVE, OR PRESERVE MIXED-USE OR COMMERCIAL  
13 DEVELOPMENT, INCLUDING ANY APPROPRIATE COMBINATION OF PROPERTIES  
14 RELATED TO BUSINESS, HOUSING, OPEN-SPACE, AND INSTITUTIONAL USES;

15 (IV) DEVELOP PUBLIC INFRASTRUCTURE THAT IS INCIDENTAL TO  
16 THE IMPLEMENTATION OF A COMMUNITY LEGACY PROJECT, SUCH AS STREETS,  
17 PARKING, PUBLIC UTILITIES, LANDSCAPING, LIGHTING, AND IMPROVEMENTS TO  
18 PEDESTRIAN AND BICYCLE CIRCULATION;

19 (V) ENCOURAGE AND DEVELOP COOPERATIVE OWNERSHIP  
20 CONTROL OF OPEN-SPACE;

21 ~~(VI)~~ (VI) DEVELOP OR CREATE STRATEGIES TARGETED AT  
22 INCREASING INVESTMENT IN EXISTING COMMUNITIES, INCLUDING OUTREACH  
23 ACTIVITIES DESIGNED TO ATTRACT BUSINESS, CAPITAL, RESIDENTS, AND VISITORS  
24 AND THE DEVELOPMENT AND MAINTENANCE OF RESOURCES DIRECTLY RELATED TO  
25 THE DEVELOPMENT OF A COMMUNITY LEGACY PLAN OR THE IMPLEMENTATION OF  
26 A COMMUNITY LEGACY PROJECT;

27 ~~(VII)~~ (VII) ACQUIRE OR IMPROVE VACANT BUILDINGS OR  
28 UNIMPROVED LAND, INCLUDING ~~THE EXPENSE OF OWNING AND MAINTAINING THE~~  
29 ~~VACANT BUILDING OR UNIMPROVED LAND IN ANTICIPATION OF FUTURE~~  
30 ~~DEVELOPMENT OR TO ENSURE THAT THE VACANT BUILDING OR UNIMPROVED LAND~~  
31 ~~REMAINS AFFORDABLE~~ THE PRACTICE OF LANDBANKING; OR

32 ~~(VIII)~~ (VIII) DEVELOP ANY OTHER COMMUNITY LEGACY PLANS OR  
33 IMPLEMENT ANY OTHER COMMUNITY LEGACY PROJECTS THAT THE BOARD DEEMS  
34 NECESSARY TO FURTHER THE PURPOSES OF THIS SUBTITLE.

35 (I) "PRIORITY FUNDING AREA" MEANS AN AREA DESIGNATED AS A PRIORITY  
36 FUNDING AREA UNDER § 5-7B-02 OF THE STATE FINANCE AND PROCUREMENT  
37 ARTICLE.

38 (J) "FINANCIAL ASSISTANCE" INCLUDES:

- 1 (1) A GRANT;
- 2 (2) A LOAN;
- 3 (3) ANY REDUCTION IN THE PRINCIPAL OBLIGATION OF OR RATE OF  
4 INTEREST PAYABLE ON A LOAN OR PORTION OF A LOAN;
- 5 (4) ANY PREPAYMENT OF INTEREST ON A SUBORDINATE OR SUPERIOR  
6 LOAN OR PORTION OF A LOAN;
- 7 (5) ANY ASSURANCE;
- 8 (6) ANY GUARANTEE; OR
- 9 (7) ANY OTHER FORM OF CREDIT ENHANCEMENT.

10 ~~(K)~~ (K) "LANDBANKING" MEANS THE ACQUISITION AND HOLDING OF IMPROVED  
11 AND UNIMPROVED PROPERTY IN ANTICIPATION OF FUTURE DEVELOPMENT OF THE  
12 PROPERTY OR TO ENSURE THE FUTURE USE OF THE PROPERTY AND  
13 IMPROVEMENTS REMAIN AFFORDABLE.

14 ~~(K)~~ (L) "PROGRAM" MEANS THE COMMUNITY LEGACY PROGRAM  
15 ESTABLISHED BY THIS SUBTITLE.

16 ~~(L)~~ (M) "SPONSOR" MEANS A LOCAL GOVERNMENT, GROUP OF LOCAL  
17 GOVERNMENTS, OR COMMUNITY DEVELOPMENT ORGANIZATION.

18 ~~4-803.~~ 4-802.

19 (A) (1) A COMMUNITY LEGACY PROGRAM IS ESTABLISHED WITHIN THE  
20 DEPARTMENT AND SHALL BE ADMINISTERED BY THE DEPARTMENT AND THE  
21 COMMUNITY LEGACY BOARD ESTABLISHED IN § ~~4-804~~ 4-803 OF THIS SUBTITLE.

22 (2) THE PURPOSE OF THE PROGRAM IS TO:

23 (I) PRESERVE EXISTING COMMUNITIES AS DESIRABLE PLACES TO  
24 LIVE AND CONDUCT BUSINESS, THEREBY REDUCING OUTWARD PRESSURE FOR  
25 SPRAWL DEVELOPMENT; AND

26 (II) PROVIDE FINANCIAL ASSISTANCE TO SPONSORS OR THEIR  
27 DESIGNEES FOR THE DEVELOPMENT OF COMMUNITY LEGACY PLANS OR  
28 COMMUNITY LEGACY PROJECTS.

29 (B) THE PROGRAM SHALL ENCOURAGE PARTNERSHIPS AMONG FEDERAL,  
30 STATE, AND LOCAL GOVERNMENTS AND COMMUNITY DEVELOPMENT  
31 ORGANIZATIONS TO DEVELOP AND IMPLEMENT COMMUNITY LEGACY PLANS AND  
32 COMMUNITY LEGACY PROJECTS.

1 ~~4-804. 4-803.~~

2 (A) THERE IS A COMMUNITY LEGACY BOARD ESTABLISHED IN THE  
3 DEPARTMENT.

4 (B) THE BOARD CONSISTS OF THE FOLLOWING MEMBERS:

5 (1) THE SECRETARY OF HOUSING AND COMMUNITY DEVELOPMENT;

6 (2) THE SECRETARY OF NATURAL RESOURCES;

7 (3) THE SECRETARY OF PLANNING;

8 (4) THE SECRETARY OF TRANSPORTATION; AND

9 (5) THE GOVERNOR'S SPECIAL SECRETARY FOR SMART GROWTH.

10 (C) THE SECRETARY OF HOUSING AND COMMUNITY DEVELOPMENT SHALL  
11 SERVE AS CHAIRPERSON OF THE BOARD.

12 (D) THE DEPARTMENT SHALL PROVIDE STAFF TO THE BOARD.

13 (E) THE BOARD HAS AND MAY EXERCISE ALL POWERS NECESSARY TO CARRY  
14 OUT THE PROVISIONS OF THIS SUBTITLE, INCLUDING RECOMMENDING THE  
15 ADOPTION OF REGULATIONS TO THE SECRETARY.

16 ~~4-805. 4-804.~~

17 (A) A SPONSOR MAY FILE ONE OR MORE APPLICATIONS IN ACCORDANCE  
18 WITH SCHEDULES ESTABLISHED BY THE BOARD.

19 (B) AN APPLICATION SHALL:

20 (1) DESCRIBE ONE OR MORE COMMUNITY LEGACY AREAS WHERE THE  
21 SPONSOR PROPOSES TO DEVELOP A COMMUNITY LEGACY PLAN OR IMPLEMENT A  
22 COMMUNITY LEGACY PROJECT USING THE CRITERIA ARTICULATED IN ~~§ 4-806~~ 4-805  
23 OF THIS SUBTITLE;

24 (2) DESCRIBE IN DETAIL THE PROPOSED COMMUNITY LEGACY PLAN OR  
25 PROPOSED COMMUNITY LEGACY PROJECT;

26 (3) STATE THE AMOUNT AND TYPE OF FINANCIAL ASSISTANCE  
27 REQUESTED;

28 (4) SPECIFY THE ABILITY OF A SPONSOR TO CARRY OUT THE PROPOSED  
29 COMMUNITY LEGACY PLAN OR COMMUNITY LEGACY PROJECT AS WELL AS THE  
30 STRENGTH AND QUALITY OF PARTNERSHIPS CREATED AMONG FEDERAL, STATE,  
31 AND LOCAL GOVERNMENTS, COMMUNITY DEVELOPMENT ORGANIZATIONS, OR  
32 OTHER PRIVATE ORGANIZATIONS FOR DEVELOPING THE COMMUNITY LEGACY PLAN  
33 OR IMPLEMENTING THE COMMUNITY LEGACY PROJECT, INCLUDING:

- 1 (I) FINANCIAL SUPPORT;
- 2 (II) DEDICATION OF STAFF AND RESOURCES; AND
- 3 (III) COMMITMENT TO AND DEVELOPMENT OF LOCAL SMART  
4 GROWTH POLICIES; ~~AND~~

5 (5) PROPOSE BENCHMARKS FOR EVALUATING WHETHER THE  
6 PROPOSED COMMUNITY LEGACY PLAN OR COMMUNITY LEGACY PROJECT RESULTS  
7 IN A DESIRED OUTCOME SUCH AS COMMUNITY STABILIZATION OR STABILIZING A  
8 PROPOSED COMMUNITY LEGACY AREA, REVERSING THE SOCIAL, ECONOMIC, AND  
9 PHYSICAL DECLINE OF A PROPOSED COMMUNITY LEGACY AREA, OR ENCOURAGING  
10 GROWTH IN THE PROPOSED COMMUNITY LEGACY AREA; AND

11 (6) DESCRIBE THE PROCESS USED TO SOLICIT AND RECEIVE PUBLIC  
12 INPUT ON THE PROPOSED COMMUNITY LEGACY PLAN OR COMMUNITY LEGACY  
13 PROJECT, INCLUDING THE NATURE AND EXTENT OF THE PUBLIC SUPPORT FOR OR  
14 OPPOSITION TO THE PROPOSED PLAN OR PROJECT.

15 ~~4-806.~~ 4-805.

16 IN ORDER FOR THE BOARD TO DESIGNATE AN AREA AS A COMMUNITY LEGACY  
17 AREA, THE SPONSOR MUST DEMONSTRATE THAT:

18 (1) PAST AND CURRENT TRENDS IN HOMEOWNERSHIP, PROPERTY  
19 VALUES, COMMERCIAL AND RESIDENTIAL VACANCY, AND BUSINESS OR HOUSING  
20 INVESTMENT INDICATE THAT THERE IS A NEED FOR REINVESTMENT IN THE  
21 PROPOSED AREA; AND

22 (2) ONE OR MORE OF THE FOLLOWING CONDITIONS ARE MET:

23 ~~(1)~~ (I) ~~EXISTING~~ ENTITIES OR AMENITIES IN THE COMMUNITY SUCH  
24 AS EMPLOYERS, EDUCATIONAL INSTITUTIONS, ~~CIVIL~~ CIVIC ORGANIZATIONS,  
25 COMMUNITY ORGANIZATIONS, OR CULTURAL ORGANIZATIONS ~~ACTIVELY~~ SUPPORT  
26 THE PROPOSED COMMUNITY LEGACY PLAN OR COMMUNITY LEGACY PROJECT AND  
27 HAVE PLEDGED RESOURCES TO ITS DEVELOPMENT OR IMPLEMENTATION;

28 ~~(2)~~ (II) THE PROPOSED COMMUNITY LEGACY PLAN OR PROJECT ~~WILL~~  
29 SATISFY ADDRESSES THE NEED FOR REINVESTMENT IN THE AREA AND  
30 COMPLEMENT ENHANCES THE AREA, INCLUDING PROVIDING INDIVIDUALS OF  
31 DIFFERENT INCOMES WITH A RANGE OF HOUSING OPTIONS, EMPLOYMENT  
32 OPPORTUNITIES, OR OTHER AMENITIES;

33 ~~(3)~~ (III) THERE IS A CULTURAL OR HISTORICAL SIGNIFICANCE IN THE  
34 COMMUNITY OR COMMUNITIES LOCATED IN THE PROPOSED AREA;

35 ~~(4)~~ (IV) THE PROPOSED AREA IS IN CLOSE PROXIMITY TO A TOWN  
36 CENTER OR A TRANSPORTATION CENTER; OR

1           ~~(6)~~ (V)     THE PROPOSED COMMUNITY LEGACY PLAN OR PROPOSED  
2 COMMUNITY LEGACY PROJECT IS CONSISTENT WITH AND COMPLEMENTS OTHER  
3 EXISTING OR PROPOSED PROJECTS FOR HOUSING, COMMERCIAL OR COMMUNITY  
4 DEVELOPMENT, EDUCATION, HISTORIC PRESERVATION, NEIGHBORHOOD  
5 REVITALIZATION, TRANSPORTATION, OR OTHER FACTORS SIGNIFICANT TO THE  
6 COMPREHENSIVE ENHANCEMENT OF THE COMMUNITY.

7 ~~4-807- 4-806.~~

8       (A)     THE BOARD SHALL:

9           (1)     REVIEW APPLICATIONS AND MAY REQUEST ADDITIONAL  
10 INFORMATION FROM A SPONSOR;

11          (2)     ACCEPT PUBLIC INPUT ON APPLICATIONS;

12          ~~(2)~~ (3)     SUBMIT APPLICATIONS TO APPROPRIATE STATE AGENCIES AND  
13 CONSIDER ANY RECOMMENDATIONS MADE REGARDING THE APPLICATIONS; ~~AND~~

14          (4)     CONSIDER GEOGRAPHICAL BALANCE WHEN APPROVING AN  
15 APPLICATION; AND

16          ~~(3)~~ (5)     REFER ALL APPROVED APPLICATIONS TO THE SECRETARY.

17       (B)     (1)     THE BOARD MAY NOT APPROVE AN APPLICATION UNLESS THE  
18 SPONSOR OBTAINS A RESOLUTION OF LOCAL GOVERNMENT APPROVING AN  
19 APPLICATION.

20           (2)     (I)     IF AN APPLICATION AFFECTS A COMMUNITY LEGACY AREA  
21 LOCATED ENTIRELY WITHIN A MUNICIPAL CORPORATION, THE APPROVAL SHALL  
22 COME FROM THE MUNICIPAL CORPORATION RATHER THAN THE SURROUNDING  
23 COUNTY.

24                   (II)     IF A COMMUNITY LEGACY PLAN AFFECTS COMMUNITY LEGACY  
25 AREAS WITHIN THE TERRITORY OF MORE THAN ONE LOCAL GOVERNMENT, THE  
26 SPONSOR SHALL OBTAIN A RESOLUTION FROM EACH LOCAL GOVERNMENT IN  
27 WHICH THE COMMUNITY LEGACY AREA IS LOCATED.

28       (C)     THE SECRETARY SHALL AWARD FINANCIAL ASSISTANCE TO A SPONSOR  
29 OR A SPONSOR'S DESIGNEE IN AN AMOUNT AND TYPE DETERMINED BY THE BOARD  
30 AND PURSUANT TO THE TERMS OF A COMMUNITY LEGACY AGREEMENT.

31 ~~4-808- 4-807.~~

32       (A)     THE DEPARTMENT AND THE SPONSOR SHALL EXECUTE A COMMUNITY  
33 LEGACY AGREEMENT.

34       (B)     THE SPONSOR SHALL COMPLY WITH THE TERMS OF THE COMMUNITY  
35 LEGACY AGREEMENT AND ADHERE TO ANY REGULATIONS ADOPTED BY THE  
36 DEPARTMENT TO CARRY OUT THE PROVISIONS OF THIS SUBTITLE.

1 (C) IF A SPONSOR VIOLATES ANY PROVISION OF THE COMMUNITY LEGACY  
 2 AGREEMENT OR CEASES TO MEET THE REQUIREMENTS OF THIS SUBTITLE, THE  
 3 DEPARTMENT MAY EXERCISE ANY REMEDY PROVIDED BY THE AGREEMENT OR BY  
 4 LAW.

5 (D) NO MORE THAN 15% OF THE TOTAL FINANCIAL ASSISTANCE PROVIDED BY  
 6 THE PROGRAM SHALL BE USED TO FINANCE NONCAPITAL EXPENDITURES.

7 ~~4-809~~; 4-808.

8 THE DEPARTMENT MAY:

9 (1) DETERMINE SPECIFIC TERMS AND CONDITIONS FOR ANY TYPE OF  
 10 FINANCIAL ASSISTANCE AWARDED UNDER § ~~4-807(C)~~ 4-806(C) OF THIS SUBTITLE.  
 11 FINANCIAL ASSISTANCE MAY BE SECURED BY A MORTGAGE OR OTHER LIEN OR  
 12 SECURITY INTEREST WHICH MAY BE SUPERIOR OR SUBORDINATE TO OTHER  
 13 MORTGAGES, LIENS, OR SECURITY INTERESTS ON THE COLLATERAL.

14 (2) ENFORCE THE TERMS OF GRANTS, LOANS, OR OTHER FINANCIAL  
 15 ASSISTANCE MADE PURSUANT TO THIS SUBTITLE ACCORDING TO THEIR TERMS AND  
 16 CONDITIONS;

17 (3) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, WITH RESPECT  
 18 TO LOANS OR GRANTS SECURED BY FIRST OR SUBORDINATE MORTGAGES OR OTHER  
 19 LIENS;:

20 (I) COMMENCE AND PURSUE ANY ACTION TO PROTECT OR  
 21 ENFORCE ANY RIGHT CONFERRED BY LAW, CONTRACT, OR OTHER AGREEMENT;

22 ~~(4)~~ (II) FORECLOSE ON PROPERTY;

23 ~~(5)~~ (III) BID FOR AND PURCHASE PROPERTY AT ANY FORECLOSURE OR  
 24 AT ANY OTHER SALE, OR ACQUIRE OR TAKE POSSESSION OF THE PROPERTY  
 25 THROUGH CONVEYANCE IN LIEU OF FORECLOSURE OR OTHERWISE, AND CONVEY  
 26 PROPERTY AFTER ACQUISITION;

27 ~~(6)~~ (IV) SETTLE OR COMPROMISE ANY DEBT OR OBLIGATION TO THE  
 28 DEPARTMENT;

29 ~~(7)~~ (V) PAY THE PRINCIPAL OF AND INTEREST ON ANY OBLIGATIONS  
 30 INCURRED IN CONNECTION WITH THE PROPERTY, AND DISPOSE OF OR OTHERWISE  
 31 DEAL WITH THE PROPERTY, ALL IN ANY MANNER AND AS NECESSARY OR DESIRABLE  
 32 TO PROTECT THE INTERESTS OF THE PROGRAM; OR

33 ~~(8)~~ (VI) RELEASE OR SELL ANY MORTGAGE, OBLIGATION, OR PROPERTY  
 34 HELD BY IT AT PUBLIC OR PRIVATE SALE, WITH OR WITHOUT PUBLIC BIDDING;

35 ~~(9)~~ (4) REQUIRE AND OBTAIN APPRAISALS, CREDIT INFORMATION,  
 36 AND OTHER INFORMATION RELATED TO MAKING LOANS;

1           ~~(4)~~ (5)     ENTER INTO CONTRACTS WITH ANY GOVERNMENTAL OR  
2 PRIVATE PARTY FOR THE FURNISHING OF PROPERTY OR SERVICES NECESSARY TO  
3 THE OPERATION OF THE PROGRAM OR THE IMPLEMENTATION OF COMMUNITY  
4 LEGACY PROJECTS, INCLUDING PRIVATE PROPERTY MANAGERS, MORTGAGE  
5 SERVICERS, ARCHITECTS, ENGINEERS, OR OTHER CONSULTANTS CONCERNING  
6 PROPERTY;

7           ~~(4)~~ (6)     ENTER INTO AGREEMENTS WITH OTHER GOVERNMENT  
8 AGENCIES, INCLUDING LOCAL, STATE, OR FEDERAL AGENCIES, FOR THE PURPOSE OF  
9 ESTABLISHING PARTNERSHIPS TO CARRY OUT THE PROGRAM;

10          ~~(4)~~ (7)     ESTABLISH TIME LIMITS FOR THE USE OF FINANCIAL  
11 ASSISTANCE;

12          ~~(4)~~ (8)     CHARGE INTEREST ON LOANS;

13          ~~(4)~~ (9)     CONSENT TO THE MODIFICATION OF ANY PROVISION OF ANY  
14 LOAN OR OTHER FINANCIAL ASSISTANCE CONSISTENT WITH THE BEST INTERESTS  
15 OF THE STATE;

16          ~~(4)~~ (10)    CONTRACT FOR AND ACCEPT ANY GRANT, CONTRIBUTION, OR  
17 LOAN OF FUNDS, PROPERTY OR OTHER AID FROM THE FEDERAL GOVERNMENT AND,  
18 SUBJECT TO THE PROVISIONS OF THIS SUBTITLE, DO ALL THINGS NECESSARY TO  
19 QUALIFY FOR SUCH AID OR PARTICIPATE IN OR ADMINISTER ANY FEDERAL  
20 PROGRAM CONSISTENT WITH THE PURPOSES OF THIS SUBTITLE; OR

21          ~~(4)~~ (11)    EXERCISE ALL POWERS NECESSARY OR DESIRABLE FOR THE  
22 IMPLEMENTATION OF THE PROGRAM.

23 ~~4-810. 4-809.~~

24        (A)     THE SPONSOR SHALL SUBMIT QUARTERLY REPORTS TO THE BOARD ON  
25 THE PROGRESS OF DEVELOPING A COMMUNITY LEGACY PLAN OR IMPLEMENTING A  
26 COMMUNITY LEGACY PROJECT.

27        (B)     THE BOARD SHALL REPORT TO THE GOVERNOR AND, SUBJECT TO § 2-1246  
28 OF THE STATE GOVERNMENT ARTICLE, TO THE GENERAL ASSEMBLY BEFORE  
29 NOVEMBER 1 OF EACH YEAR ON:

30           (1)     THE FINANCIAL STATUS OF THE PROGRAM FOR THE PRECEDING  
31 FISCAL YEAR, INCLUDING THE AMOUNT AND TYPE OF FINANCIAL ASSISTANCE  
32 ENCUMBERED AND DISBURSED;

33           (2)     THE NUMBER OF APPLICATIONS RECEIVED;

34           (3)     THE NUMBER AND LOCATION OF COMMUNITY LEGACY AREAS  
35 DESIGNATED; AND

36           (4)     THE SUMMARY OF THE QUARTERLY REPORTS SUBMITTED BY EACH  
37 SPONSOR UNDER SUBSECTION (A) OF THIS SECTION.

1 ~~4-811, 4-810.~~

2 (A) (1) THERE IS AN ADVISORY COMMITTEE TO THE BOARD IN THE  
3 DEPARTMENT.

4 (2) THE COMMITTEE IS ESTABLISHED TO MAKE RECOMMENDATIONS TO  
5 THE BOARD CONCERNING COMMUNITY LEGACY AREAS, COMMUNITY LEGACY PLANS,  
6 AND COMMUNITY LEGACY PROJECTS AND TO CONSIDER SUCH MATTERS AS  
7 REQUESTED BY THE BOARD.

8 (B) (1) THE COMMITTEE SHALL CONSIST OF 11 MEMBERS, APPOINTED BY  
9 THE GOVERNOR.

10 (2) OF THE 11 COMMITTEE MEMBERS:

11 (I) ONE SHALL REPRESENT THE DEPARTMENT OF BUSINESS AND  
12 ECONOMIC DEVELOPMENT;

13 (II) ONE SHALL REPRESENT THE GOVERNOR'S OFFICE OF CRIME  
14 CONTROL AND PREVENTION;

15 (III) ONE SHALL REPRESENT THE DEPARTMENT OF GENERAL  
16 SERVICES;

17 (IV) ONE SHALL REPRESENT THE STATE ECONOMIC GROWTH,  
18 RESOURCE PROTECTION, AND PLANNING COMMISSION; AND

19 (V) SEVEN SHALL HAVE EXPERIENCE AND EXPERTISE IN  
20 COMMUNITY DEVELOPMENT AND PRESERVATION AND MAY INCLUDE  
21 REPRESENTATIVES OF COUNTY GOVERNMENT, MUNICIPAL GOVERNMENT,  
22 ADVOCACY ORGANIZATIONS, THE BUSINESS COMMUNITY, AND MEMBERS OF THE  
23 GENERAL PUBLIC.

24 (C) TO THE EXTENT POSSIBLE, THE MEMBERS APPOINTED BY THE GOVERNOR  
25 SHALL REFLECT THE POPULATION AND GEOGRAPHIC AND ETHNIC DIVERSITY OF  
26 THE STATE.

27 (D) (1) THE TERM OF A MEMBER IS 3 YEARS.

28 (2) A MEMBER MAY NOT SERVE MORE THAN TWO CONSECUTIVE TERMS.

29 (3) THE TERMS OF THE MEMBERS ARE STAGGERED AS REQUIRED BY  
30 THE TERMS PROVIDED FOR MEMBERS OF THE ~~BOARD~~ ADVISORY COMMITTEE ON  
31 JULY 1, 2001.

32 (4) AT THE END OF A TERM, A MEMBER CONTINUES TO SERVE UNTIL A  
33 SUCCESSOR IS APPOINTED.

34 (5) A MEMBER WHO IS APPOINTED AFTER A TERM HAS BEGUN SERVES  
35 ONLY FOR THE REMAINDER OF THE TERM AND UNTIL A SUCCESSOR IS APPOINTED.

1 (E) A MEMBER:

2 (1) MAY NOT RECEIVE COMPENSATION; BUT

3 (2) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE  
4 STANDARD STATE TRAVEL REGULATIONS AS PROVIDED IN THE STATE BUDGET.

5 (F) THE GOVERNOR SHALL DESIGNATE A CHAIRPERSON FROM AMONG THE  
6 MEMBERS OF THE COMMITTEE.

7 (G) THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT SHALL  
8 PROVIDE STAFF SUPPORT TO THE COMMITTEE.

9 ~~4-812; 4-811.~~

10 (A) THERE IS A COMMUNITY LEGACY FINANCIAL ASSISTANCE FUND  
11 ESTABLISHED FOR THE PURPOSES SPECIFIED IN THIS SUBTITLE.

12 (B) (1) THE FUND IS A CONTINUING, NONLAPSING FUND, WHICH IS NOT  
13 SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

14 (2) THE TREASURER SHALL SEPARATELY HOLD AND THE COMPTROLLER  
15 SHALL ACCOUNT FOR THE FUND.

16 (3) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE  
17 TREASURER MAY INVEST MONEYS IN THE FUND IN A MANNER CONSISTENT WITH  
18 THE INVESTMENT OF MONEYS BY THE STATE RETIREMENT AND PENSION SYSTEM.

19 (4) ANY INVESTMENT EARNINGS OF THE FUND SHALL BE PAID INTO  
20 THE FUND.

21 (C) THE SECRETARY SHALL ADMINISTER THE FUND IN ACCORDANCE WITH  
22 THE RECOMMENDATIONS OF THE BOARD.

23 (D) THE FUND CONSISTS OF:

24 (1) MONEYS APPROPRIATED IN THE STATE BUDGET TO THE FUND;

25 (2) EARNINGS FROM THE INVESTMENT OF MONEYS IN THE FUND;

26 (3) REPAYMENTS AND PREPAYMENTS OF FINANCIAL ASSISTANCE  
27 PROVIDED BY THE PROGRAM; AND

28 (4) ANY OTHER MONEYS ACCEPTED FOR THE BENEFIT OF THE FUND  
29 FROM ANY GOVERNMENTAL OR PRIVATE SOURCE.

30 ~~(E) FOR FISCAL YEARS 2002, 2003, AND 2004, THE GOVERNOR SHALL INCLUDE~~  
31 ~~IN THE BUDGET BILL AN APPROPRIATION TO THE FUND IN AN AMOUNT NOT LESS~~  
32 ~~THAN \$15 MILLION PER FISCAL YEAR FOR THE PROGRAM.~~

1 SECTION 2. AND BE IT FURTHER ENACTED, That the terms of the initial  
2 members of the Advisory Committee to the Community Legacy Board shall expire as  
3 follows:

- 4 (1) four members in 2004;
- 5 (2) four members in 2005; and
- 6 (3) three members in 2006.

7 SECTION 3. AND BE IT FURTHER ENACTED, That nothing in this Act shall  
8 be construed to grant or expand the power or authority of the State or a local  
9 government to condemn or take private property.

10 ~~SECTION 3.~~ 4. AND BE IT FURTHER ENACTED, That this Act shall take  
11 effect July 1, 2001.