HOUSE BILL 1366

L3 7lr3248

By: **Dorchester County Delegation (By Request)**
Introduced and read first time: March 2, 2007
Assigned to: Rules and Executive Nominations
Re-referred to: Environmental Matters, March 12, 2007

Committee Report: Favorable
House action: Adopted
Read second time: March 20, 2007

CHAPTER _____

AN ACT concerning

Town of Galestown (Dorchester County) – Urban Renewal Authority for Slum Clearance

FOR the purpose of authorizing the Town of Galestown, Dorchester County, to undertake and carry out certain urban renewal projects for slum clearance and redevelopment; prohibiting certain land or property from being taken for certain purposes without just compensation first being paid to the party entitled to the compensation; declaring that certain land or property taken in connection with certain urban renewal powers is needed for public uses or purposes; authorizing the legislative body of the Town of Galestown by ordinance to elect to have certain urban renewal powers exercised by a certain public body; imposing certain requirements for the initiation and approval of an urban renewal area; providing for the disposal of property in an urban renewal area; authorizing the municipal corporation to issue certain bonds under certain circumstances; clarifying that a certain appendix may be amended or repealed only by the General Assembly of Maryland; defining certain terms; and generally relating to urban renewal authority for slum clearance for the Town of Galestown in Dorchester County.

BY adding to

EXPLANATION: **CAPITALS INDICATE MATTER ADDED TO EXISTING LAW**.
[Brackets**]** indicate matter deleted from existing law.
Underlining indicates amendments to bill.
~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

Chapter 61 – Charter of the Town of Galestown
Section A1–101 through A1–114 and the heading "Appendix I – Urban Renewal Authority for Slum Clearance"
Public Local Laws of Maryland – Compilation of Municipal Charters
(1990 Replacement Edition and 2005 Supplement)

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

Chapter 61 – Charter of the Town of Galestown

APPENDIX I – URBAN RENEWAL AUTHORITY FOR SLUM CLEARANCE

A1–101. DEFINITIONS.

(A) IN THIS APPENDIX THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(B) "BLIGHTED AREA" MEANS AN AREA OR SINGLE PROPERTY IN WHICH THE BUILDING OR BUILDINGS HAVE DECLINED IN PRODUCTIVITY BY REASON OF OBSOLESCENCE, DEPRECIATION, OR OTHER CAUSES TO AN EXTENT THEY NO LONGER JUSTIFY FUNDAMENTAL REPAIRS AND ADEQUATE MAINTENANCE.

(C) "BONDS" MEANS ANY BONDS (INCLUDING REFUNDING BONDS), NOTES, INTERIM CERTIFICATES, CERTIFICATES OF INDEBTEDNESS, DEBENTURES, OR OTHER OBLIGATIONS.

(D) "FEDERAL GOVERNMENT" MEANS THE UNITED STATES OF AMERICA OR ANY AGENCY OR INSTRUMENTALITY, CORPORATE OR OTHERWISE, OF THE UNITED STATES OF AMERICA.

(E) "MUNICIPALITY" MEANS THE TOWN OF GALESTOWN, MARYLAND.

(F) "PERSON" MEANS ANY INDIVIDUAL, FIRM, PARTNERSHIP, CORPORATION, COMPANY, ASSOCIATION, JOINT STOCK ASSOCIATION, OR BODY POLITIC. IT INCLUDES ANY TRUSTEE, RECEIVER, ASSIGNEE, OR OTHER PERSON ACTING IN SIMILAR REPRESENTATIVE CAPACITY.

(G) "SLUM AREA" MEANS ANY AREA OR SINGLE PROPERTY WHERE DWELLINGS PREDOMINATE WHICH, BY REASON OF DEPRECIATION,

OVERCROWDING, FAULTY ARRANGEMENT OR DESIGN, LACK OF VENTILATION, LIGHT, OR SANITARY FACILITIES, OR ANY COMBINATION OF THESE FACTORS, ARE DETRIMENTAL TO THE PUBLIC SAFETY, HEALTH, OR MORALS.

(H) "URBAN RENEWAL AREA" MEANS A SLUM AREA OR A BLIGHTED AREA OR A COMBINATION OF THEM WHICH THE MUNICIPALITY DESIGNATES AS APPROPRIATE FOR AN URBAN RENEWAL PROJECT.

(I) "URBAN RENEWAL PLAN" MEANS A PLAN, AS IT EXISTS FROM TIME TO TIME, FOR AN URBAN RENEWAL PROJECT. THE PLAN SHALL BE SUFFICIENTLY COMPLETE TO INDICATE ANY LAND ACQUISITION, DEMOLITION, AND REMOVAL OF STRUCTURES, REDEVELOPMENT, IMPROVEMENTS, AND REHABILITATION AS MAY BE PROPOSED TO BE CARRIED OUT IN THE URBAN RENEWAL AREA, ZONING AND PLANNING CHANGES, IF ANY, LAND USES, MAXIMUM DENSITY, AND BUILDING REQUIREMENTS.

(J) "URBAN RENEWAL PROJECT" MEANS UNDERTAKINGS AND ACTIVITIES OF A MUNICIPALITY IN AN URBAN RENEWAL AREA FOR THE ELIMINATION AND FOR THE PREVENTION OF THE DEVELOPMENT OR SPREAD OF SLUMS AND BLIGHT, AND MAY INVOLVE SLUM CLEARANCE AND REDEVELOPMENT IN AN URBAN RENEWAL AREA, OR REHABILITATION OR CONSERVATION IN AN URBAN RENEWAL AREA, OR ANY COMBINATION OR PART OF THEM IN ACCORDANCE WITH AN URBAN RENEWAL PLAN. THESE UNDERTAKINGS AND ACTIVITIES MAY INCLUDE:

(1) ACQUISITION OF A SLUM AREA OR A BLIGHTED AREA OR PORTION OF THEM;

(2) DEMOLITION AND REMOVAL OF BUILDINGS AND IMPROVEMENTS;

(3) INSTALLATION, CONSTRUCTION OR RECONSTRUCTION OF STREETS, UTILITIES, PARKS, PLAYGROUNDS, AND OTHER IMPROVEMENTS NECESSARY FOR CARRYING OUT THE URBAN RENEWAL OBJECTIVES OF THIS APPENDIX IN ACCORDANCE WITH THE URBAN RENEWAL PLAN;

(4) DISPOSITION OF ANY PROPERTY ACQUIRED IN THE URBAN RENEWAL AREA, INCLUDING SALE, INITIAL LEASING, OR RETENTION BY THE

MUNICIPALITY ITSELF, AT ITS FAIR VALUE FOR USES IN ACCORDANCE WITH THE URBAN RENEWAL PLAN;

(5) CARRYING OUT PLANS FOR A PROGRAM OF VOLUNTARY OR COMPULSORY REPAIR AND REHABILITATION OF BUILDINGS OR OTHER IMPROVEMENTS IN ACCORDANCE WITH THE URBAN RENEWAL PLAN;

(6) ACQUISITION OF ANY OTHER REAL PROPERTY IN THE URBAN RENEWAL AREA WHERE NECESSARY TO ELIMINATE UNHEALTHFUL, UNSANITARY, OR UNSAFE CONDITIONS, LESSEN DENSITY, ELIMINATE OBSOLETE OR OTHER USES DETRIMENTAL TO THE PUBLIC WELFARE, OR OTHERWISE TO REMOVE OR PREVENT THE SPREAD OF BLIGHT OR DETERIORATION, OR TO PROVIDE LAND FOR NEEDED PUBLIC FACILITIES; AND

(7) THE PRESERVATION, IMPROVEMENT, OR EMBELLISHMENT OF HISTORIC STRUCTURES OR MONUMENTS.

A1–102. POWERS.

(A) THE MUNICIPALITY MAY UNDERTAKE AND CARRY OUT URBAN RENEWAL PROJECTS.

(B) THESE PROJECTS SHALL BE LIMITED:

(1) TO SLUM CLEARANCE IN SLUM OR BLIGHTED AREAS AND REDEVELOPMENT OR THE REHABILITATION OF SLUM OR BLIGHTED AREAS;

(2) TO ACQUIRE IN CONNECTION WITH THOSE PROJECTS, WITHIN THE CORPORATE LIMITS OF THE MUNICIPALITY, LAND AND PROPERTY OF EVERY KIND AND ANY RIGHT, INTEREST, FRANCHISE, EASEMENT, OR PRIVILEGE, INCLUDING LAND OR PROPERTY AND ANY RIGHT OR INTEREST ALREADY DEVOTED TO PUBLIC USE, BY PURCHASE, LEASE, GIFT, CONDEMNATION, OR ANY OTHER LEGAL MEANS; AND

(3) TO SELL, LEASE, CONVEY, TRANSFER, OR OTHERWISE DISPOSE OF ANY OF THE LAND OR PROPERTY, REGARDLESS OF WHETHER OR NOT IT HAS BEEN DEVELOPED, REDEVELOPED, ALTERED, OR IMPROVED AND IRRESPECTIVE OF THE MANNER OR MEANS IN OR BY WHICH IT MAY HAVE BEEN

ACQUIRED, TO ANY PRIVATE, PUBLIC, OR QUASI–PUBLIC CORPORATION, PARTNERSHIP, ASSOCIATION, PERSON, OR OTHER LEGAL ENTITY.

(C) LAND OR PROPERTY TAKEN BY THE MUNICIPALITY FOR ANY OF THESE PURPOSES OR IN CONNECTION WITH THE EXERCISE OF ANY OF THE POWERS WHICH ARE GRANTED BY THIS APPENDIX TO THE MUNICIPALITY BY EXERCISING THE POWER OF EMINENT DOMAIN MAY NOT BE TAKEN WITHOUT JUST COMPENSATION, AS AGREED ON BETWEEN THE PARTIES, OR AWARDED BY A JURY, BEING FIRST PAID OR TENDERED TO THE PARTY ENTITLED TO THE COMPENSATION.

(D) ALL LAND OR PROPERTY NEEDED OR TAKEN BY THE EXERCISE OF THE POWER OF EMINENT DOMAIN BY THE MUNICIPALITY FOR ANY OF THESE PURPOSES OR IN CONNECTION WITH THE EXERCISE OF ANY OF THE POWERS GRANTED BY THIS APPENDIX IS DECLARED TO BE NEEDED OR TAKEN FOR PUBLIC USES AND PURPOSES.

(E) ANY OR ALL OF THE ACTIVITIES AUTHORIZED PURSUANT TO THIS APPENDIX CONSTITUTE GOVERNMENTAL FUNCTIONS UNDERTAKEN FOR PUBLIC USES AND PURPOSES AND THE POWER OF TAXATION MAY BE EXERCISED, PUBLIC FUNDS EXPENDED, AND PUBLIC CREDIT EXTENDED IN FURTHERANCE OF THEM.

A1–103. ADDITIONAL POWERS.

THE MUNICIPALITY HAS THE FOLLOWING ADDITIONAL POWERS. THESE POWERS ARE DECLARED TO BE NECESSARY AND PROPER TO CARRY INTO FULL FORCE AND EFFECT THE SPECIFIC POWERS GRANTED IN THIS APPENDIX AND TO FULLY ACCOMPLISH THE PURPOSES AND OBJECTS CONTEMPLATED BY THE PROVISIONS OF THIS SECTION:

(1) TO MAKE OR HAVE MADE ALL SURVEYS AND PLANS NECESSARY TO THE CARRYING OUT OF THE PURPOSES OF THIS APPENDIX AND TO ADOPT OR APPROVE, MODIFY, AND AMEND THOSE PLANS. THESE PLANS MAY INCLUDE, BUT ARE NOT LIMITED TO:

(I) PLANS FOR CARRYING OUT A PROGRAM OF VOLUNTARY OR COMPULSORY REPAIR AND REHABILITATION OF BUILDINGS AND IMPROVEMENTS;

(II) PLANS FOR THE ENFORCEMENT OF CODES AND REGULATIONS RELATING TO THE USE OF LAND AND THE USE AND OCCUPANCY OF BUILDINGS AND IMPROVEMENTS AND TO THE COMPULSORY REPAIR, REHABILITATION, DEMOLITION, OR REMOVAL OF BUILDINGS AND IMPROVEMENTS; AND

(III) APPRAISALS, TITLE SEARCHES, SURVEYS, STUDIES, AND OTHER PLANS AND WORK NECESSARY TO PREPARE FOR THE UNDERTAKING OF URBAN RENEWAL PROJECTS AND RELATED ACTIVITIES; AND TO APPLY FOR, ACCEPT, AND UTILIZE GRANTS OF FUNDS FROM THE FEDERAL GOVERNMENT OR OTHER GOVERNMENTAL ENTITY FOR THOSE PURPOSES;

(2) TO PREPARE PLANS FOR THE RELOCATION OF PERSONS (INCLUDING FAMILIES, BUSINESS CONCERNS, AND OTHERS) DISPLACED FROM AN URBAN RENEWAL AREA, AND TO MAKE RELOCATION PAYMENTS TO OR WITH RESPECT TO THOSE PERSONS FOR MOVING EXPENSES AND LOSSES OF PROPERTY FOR WHICH REIMBURSEMENT OR COMPENSATION IS NOT OTHERWISE MADE, INCLUDING THE MAKING OF PAYMENTS FINANCED BY THE FEDERAL GOVERNMENT;

(3) TO APPROPRIATE WHATEVER FUNDS AND MAKE WHATEVER EXPENDITURES AS MAY BE NECESSARY TO CARRY OUT THE PURPOSES OF THIS APPENDIX, INCLUDING, BUT NOT LIMITED:

(I) TO THE PAYMENT OF ANY AND ALL COSTS AND EXPENSES INCURRED IN CONNECTION WITH, OR INCIDENTAL TO, THE ACQUISITION OF LAND OR PROPERTY, AND FOR THE DEMOLITION, REMOVAL, RELOCATION, RENOVATION, OR ALTERATION OF LAND, BUILDINGS, STREETS, HIGHWAYS, ALLEYS, UTILITIES, OR SERVICES, AND OTHER STRUCTURES OR IMPROVEMENTS, AND FOR THE CONSTRUCTION, RECONSTRUCTION, INSTALLATION, RELOCATION, OR REPAIR OF STREETS, HIGHWAYS, ALLEYS, UTILITIES, OR SERVICES, IN CONNECTION WITH URBAN RENEWAL PROJECTS;

(II) TO LEVY TAXES AND ASSESSMENTS FOR THOSE PURPOSES;

(III) TO BORROW MONEY AND TO APPLY FOR AND ACCEPT ADVANCES, LOANS, GRANTS, CONTRIBUTIONS, AND ANY OTHER FORM OF

FINANCIAL ASSISTANCE FROM THE FEDERAL GOVERNMENT, THE STATE, COUNTY, OR OTHER PUBLIC BODIES, OR FROM ANY SOURCES, PUBLIC OR PRIVATE, FOR THE PURPOSES OF THIS APPENDIX, AND TO GIVE WHATEVER SECURITY AS MAY BE REQUIRED FOR THIS FINANCIAL ASSISTANCE; AND

(IV) TO INVEST ANY URBAN RENEWAL FUNDS HELD IN RESERVES OR SINKING FUNDS OR ANY OF THESE FUNDS NOT REQUIRED FOR IMMEDIATE DISBURSEMENT IN PROPERTY OR SECURITIES WHICH ARE LEGAL INVESTMENTS FOR OTHER MUNICIPAL FUNDS;

(4) (I) TO HOLD, IMPROVE, CLEAR, OR PREPARE FOR REDEVELOPMENT ANY PROPERTY ACQUIRED IN CONNECTION WITH URBAN RENEWAL PROJECTS;

(II) TO MORTGAGE, PLEDGE, HYPOTHECATE, OR OTHERWISE ENCUMBER THAT PROPERTY; AND

(III) TO INSURE OR PROVIDE FOR THE INSURANCE OF THE PROPERTY OR OPERATIONS OF THE MUNICIPALITY AGAINST ANY RISKS OR HAZARDS, INCLUDING THE POWER TO PAY PREMIUMS ON ANY INSURANCE;

(5) TO MAKE AND EXECUTE ALL CONTRACTS AND OTHER INSTRUMENTS NECESSARY OR CONVENIENT TO THE EXERCISE OF ITS POWERS UNDER THIS APPENDIX, INCLUDING THE POWER TO ENTER INTO AGREEMENTS WITH OTHER PUBLIC BODIES OR AGENCIES (THESE AGREEMENTS MAY EXTEND OVER ANY PERIOD, NOTWITHSTANDING ANY PROVISION OR RULE OF LAW TO THE CONTRARY), AND TO INCLUDE IN ANY CONTRACT FOR FINANCIAL ASSISTANCE WITH THE FEDERAL GOVERNMENT FOR OR WITH RESPECT TO AN URBAN RENEWAL PROJECT AND RELATED ACTIVITIES ANY CONDITIONS IMPOSED PURSUANT TO FEDERAL LAWS AS THE MUNICIPALITY CONSIDERS REASONABLE AND APPROPRIATE;

(6) TO ENTER INTO ANY BUILDING OR PROPERTY IN ANY URBAN RENEWAL AREA IN ORDER TO MAKE INSPECTIONS, SURVEYS, APPRAISALS, SOUNDINGS, OR TEST BORINGS, AND TO OBTAIN AN ORDER FOR THIS PURPOSE FROM THE CIRCUIT COURT FOR THE COUNTY IN WHICH THE MUNICIPALITY IS SITUATED IN THE EVENT ENTRY IS DENIED OR RESISTED;

(7) TO PLAN, REPLAN, INSTALL, CONSTRUCT, RECONSTRUCT, REPAIR, CLOSE, OR VACATE STREETS, ROADS, SIDEWALKS, PUBLIC UTILITIES, PARKS, PLAYGROUNDS, AND OTHER PUBLIC IMPROVEMENTS IN CONNECTION WITH AN URBAN RENEWAL PROJECT; AND TO MAKE EXCEPTIONS FROM BUILDING REGULATIONS;

(8) TO GENERALLY ORGANIZE, COORDINATE, AND DIRECT THE ADMINISTRATION OF THE PROVISIONS OF THIS APPENDIX AS THEY APPLY TO THE MUNICIPALITY IN ORDER THAT THE OBJECTIVE OF REMEDYING SLUM AND BLIGHTED AREAS AND PREVENTING ITS CAUSES WITHIN THE MUNICIPALITY MAY BE PROMOTED AND ACHIEVED MOST EFFECTIVELY; AND

(9) TO EXERCISE ALL OR ANY PART OR COMBINATION OF THE POWERS GRANTED IN THIS APPENDIX.

A1–104. ESTABLISHMENT OF URBAN RENEWAL AGENCY.

(A) A MUNICIPALITY MAY ITSELF EXERCISE ALL THE POWERS GRANTED BY THIS APPENDIX, OR MAY, IF ITS LEGISLATIVE BODY BY ORDINANCE DETERMINES THE ACTION TO BE IN THE PUBLIC INTEREST, ELECT TO HAVE THE POWERS EXERCISED BY A SEPARATE PUBLIC BODY OR AGENCY.

(B) IN THE EVENT THE LEGISLATIVE BODY MAKES THAT DETERMINATION, IT SHALL PROCEED BY ORDINANCE TO ESTABLISH A PUBLIC BODY OR AGENCY TO UNDERTAKE IN THE MUNICIPALITY THE ACTIVITIES AUTHORIZED BY THIS APPENDIX.

(C) THE ORDINANCE SHALL INCLUDE PROVISIONS ESTABLISHING THE NUMBER OF MEMBERS OF THE PUBLIC BODY OR AGENCY, THE MANNER OF THEIR APPOINTMENT AND REMOVAL, AND THE TERMS OF THE MEMBERS AND THEIR COMPENSATION.

(D) THE ORDINANCE MAY INCLUDE WHATEVER ADDITIONAL PROVISIONS RELATING TO THE ORGANIZATION OF THE PUBLIC BODY OR AGENCY AS MAY BE NECESSARY.

(E) IN THE EVENT THE LEGISLATIVE BODY ENACTS THIS ORDINANCE, ALL OF THE POWERS BY THIS APPENDIX GRANTED TO THE MUNICIPALITY, FROM

THE EFFECTIVE DATE OF THE ORDINANCE, ARE VESTED IN THE PUBLIC BODY OR AGENCY ESTABLISHED BY THE ORDINANCE.

A1–105. POWERS WITHHELD FROM THE AGENCY.

THE AGENCY MAY NOT:

(1) PASS A RESOLUTION TO INITIATE AN URBAN RENEWAL PROJECT PURSUANT TO SECTIONS A1–102 AND A1–103 OF THIS APPENDIX;

(2) ISSUE GENERAL OBLIGATION BONDS PURSUANT TO SECTION A1–111 OF THIS APPENDIX; OR

(3) APPROPRIATE FUNDS OR LEVY TAXES AND ASSESSMENTS PURSUANT TO SECTION A1–103(3) OF THIS APPENDIX.

A1–106. INITIATION OF PROJECT.

IN ORDER TO INITIATE AN URBAN RENEWAL PROJECT, THE LEGISLATIVE BODY OF THE MUNICIPALITY SHALL ADOPT A RESOLUTION WHICH:

(1) FINDS THAT ONE OR MORE SLUM OR BLIGHTED AREAS EXIST IN THE MUNICIPALITY;

(2) LOCATES AND DEFINES THE SLUM OR BLIGHTED AREA; AND

(3) FINDS THAT THE REHABILITATION, REDEVELOPMENT, OR A COMBINATION OF THEM, OF THE AREA OR AREAS, IS NECESSARY AND IN THE INTEREST OF THE PUBLIC HEALTH, SAFETY, MORALS, OR WELFARE OF THE RESIDENTS OF THE MUNICIPALITY.

A1–107. PREPARATION AND APPROVAL OF PLAN FOR URBAN RENEWAL PROJECT.

(A) IN ORDER TO CARRY OUT THE PURPOSES OF THIS APPENDIX, THE MUNICIPALITY SHALL HAVE PREPARED AN URBAN RENEWAL PLAN FOR SLUM OR BLIGHTED AREAS IN THE MUNICIPALITY, AND SHALL APPROVE THE PLAN FORMALLY. THE MUNICIPALITY SHALL HOLD A PUBLIC HEARING ON AN URBAN RENEWAL PROJECT AFTER PUBLIC NOTICE OF IT BY PUBLICATION IN A

NEWSPAPER HAVING A GENERAL CIRCULATION WITHIN THE CORPORATE LIMITS OF THE MUNICIPALITY. THE NOTICE SHALL DESCRIBE THE TIME, DATE, PLACE, AND PURPOSE OF THE HEARING, SHALL GENERALLY IDENTIFY THE URBAN RENEWAL AREA COVERED BY THE PLAN, AND SHALL OUTLINE THE GENERAL SCOPE OF THE URBAN RENEWAL PROJECT UNDER CONSIDERATION. FOLLOWING THE HEARING, THE MUNICIPALITY MAY APPROVE AN URBAN RENEWAL PROJECT AND THE PLAN THEREFOR IF IT FINDS THAT:

(1) A FEASIBLE METHOD EXISTS FOR THE LOCATION OF ANY FAMILIES OR NATURAL PERSONS WHO WILL BE DISPLACED FROM THE URBAN RENEWAL AREA IN DECENT, SAFE, AND SANITARY DWELLING ACCOMMODATIONS WITHIN THEIR MEANS AND WITHOUT UNDUE HARDSHIP TO THE FAMILIES OR NATURAL PERSONS;

(2) THE URBAN RENEWAL PLAN CONFORMS SUBSTANTIALLY TO THE MASTER PLAN OF THE MUNICIPALITY AS A WHOLE; AND

(3) THE URBAN RENEWAL PLAN WILL AFFORD MAXIMUM OPPORTUNITY, CONSISTENT WITH THE SOUND NEEDS OF THE MUNICIPALITY AS A WHOLE, FOR THE REHABILITATION OR REDEVELOPMENT OF THE URBAN RENEWAL AREA BY PRIVATE ENTERPRISE.

(B) AN URBAN RENEWAL PLAN MAY BE MODIFIED AT ANY TIME. IF MODIFIED AFTER THE LEASE OR SALE OF REAL PROPERTY IN THE URBAN RENEWAL PROJECT AREA, THE MODIFICATION MAY BE CONDITIONED ON WHATEVER APPROVAL OF THE OWNER, LESSEE, OR SUCCESSOR IN INTEREST AS THE MUNICIPALITY CONSIDERS ADVISABLE. IN ANY EVENT, IT SHALL BE SUBJECT TO WHATEVER RIGHTS AT LAW OR IN EQUITY AS A LESSEE OR PURCHASER, OR THE SUCCESSOR OR SUCCESSORS IN INTEREST, MAY BE ENTITLED TO ASSERT. WHERE THE PROPOSED MODIFICATION WILL CHANGE SUBSTANTIALLY THE URBAN RENEWAL PLAN AS APPROVED PREVIOUSLY BY THE MUNICIPALITY, THE MODIFICATION SHALL BE APPROVED FORMALLY BY THE MUNICIPALITY, AS IN THE CASE OF AN ORIGINAL PLAN.

(C) ON THE APPROVAL BY THE MUNICIPALITY OF AN URBAN RENEWAL PLAN OR OF ANY MODIFICATION OF IT, THE PLAN OR MODIFICATION SHALL BE CONSIDERED TO BE IN FULL FORCE AND EFFECT FOR THE RESPECTIVE URBAN RENEWAL AREA. THE MUNICIPALITY MAY HAVE THE PLAN OR MODIFICATION CARRIED OUT IN ACCORDANCE WITH ITS TERMS.

A1–108. DISPOSAL OF PROPERTY IN URBAN RENEWAL AREA.

(A) THE MUNICIPALITY, BY ORDINANCE, MAY SELL, LEASE, OR OTHERWISE TRANSFER REAL PROPERTY OR ANY INTEREST IN IT ACQUIRED BY IT FOR AN URBAN RENEWAL PROJECT TO ANY PERSON FOR RESIDENTIAL, RECREATIONAL, COMMERCIAL, INDUSTRIAL, EDUCATIONAL, OR OTHER USES OR FOR PUBLIC USE, OR IT MAY RETAIN THE PROPERTY OR INTEREST FOR PUBLIC USE, IN ACCORDANCE WITH THE URBAN RENEWAL PLAN AND SUBJECT TO WHATEVER COVENANTS, CONDITIONS, AND RESTRICTIONS, INCLUDING COVENANTS RUNNING WITH THE LAND, AS IT CONSIDERS NECESSARY OR DESIRABLE TO ASSIST IN PREVENTING THE DEVELOPMENT OR SPREAD OF FUTURE SLUMS OR BLIGHTED AREAS OR TO OTHERWISE CARRY OUT THE PURPOSES OF THIS APPENDIX. THE PURCHASERS OR LESSEES AND THEIR SUCCESSORS AND ASSIGNS SHALL BE OBLIGATED TO DEVOTE THE REAL PROPERTY ONLY TO THE USES SPECIFIED IN THE URBAN RENEWAL PLAN, AND MAY BE OBLIGATED TO COMPLY WITH WHATEVER OTHER REQUIREMENTS THE MUNICIPALITY DETERMINES TO BE IN THE PUBLIC INTEREST, INCLUDING THE OBLIGATION TO BEGIN WITHIN A REASONABLE TIME ANY IMPROVEMENTS ON THE REAL PROPERTY REQUIRED BY THE URBAN RENEWAL PLAN. THE REAL PROPERTY OR INTEREST MAY NOT BE SOLD, LEASED, OTHERWISE TRANSFERRED, OR RETAINED AT LESS THAN ITS FAIR VALUE FOR USES IN ACCORDANCE WITH THE URBAN RENEWAL PLAN. IN DETERMINING THE FAIR VALUE OF REAL PROPERTY FOR USES IN ACCORDANCE WITH THE URBAN RENEWAL PLAN, THE MUNICIPALITY SHALL TAKE INTO ACCOUNT AND GIVE CONSIDERATION TO THE USES PROVIDED IN THE PLAN, THE RESTRICTIONS ON, AND THE COVENANTS, CONDITIONS, AND OBLIGATIONS ASSUMED BY THE PURCHASER OR LESSEE OR BY THE MUNICIPALITY RETAINING THE PROPERTY, AND THE OBJECTIVES OF THE PLAN FOR THE PREVENTION OF THE RECURRENCE OF SLUM OR BLIGHTED AREAS. IN ANY INSTRUMENT OR CONVEYANCE TO A PRIVATE PURCHASER OR LESSEE, THE MUNICIPALITY MAY PROVIDE THAT THE PURCHASER OR LESSEE MAY NOT SELL, LEASE, OR OTHERWISE TRANSFER THE REAL PROPERTY WITHOUT THE PRIOR WRITTEN CONSENT OF THE MUNICIPALITY UNTIL THE PURCHASER OR LESSEE HAS COMPLETED THE CONSTRUCTION OF ANY OR ALL IMPROVEMENTS WHICH THE PURCHASER OR LESSEE HAS BEEN OBLIGATED TO CONSTRUCT ON THE PROPERTY. REAL PROPERTY ACQUIRED BY THE MUNICIPALITY WHICH, IN ACCORDANCE WITH THE PROVISIONS OF THE URBAN RENEWAL PLAN, IS TO BE TRANSFERRED, SHALL BE TRANSFERRED AS RAPIDLY AS FEASIBLE IN THE

PUBLIC INTEREST CONSISTENT WITH THE CARRYING OUT OF THE PROVISIONS OF THE URBAN RENEWAL PLAN. ANY CONTRACT FOR THE TRANSFER AND THE URBAN RENEWAL PLAN (OR ANY PART OR PARTS OF THE CONTRACT OR PLAN AS THE MUNICIPALITY DETERMINES) MAY BE RECORDED IN THE LAND RECORDS OF THE COUNTY IN WHICH THE MUNICIPALITY IS SITUATED IN A MANNER SO AS TO AFFORD ACTUAL OR CONSTRUCTIVE NOTICE OF IT.

(B) THE MUNICIPALITY, BY ORDINANCE, MAY DISPOSE OF REAL PROPERTY IN AN URBAN RENEWAL AREA TO PRIVATE PERSONS. THE MUNICIPALITY MAY, BY PUBLIC NOTICE BY PUBLICATION IN A NEWSPAPER HAVING A GENERAL CIRCULATION IN THE COMMUNITY, INVITE PROPOSALS FROM AND MAKE AVAILABLE ALL PERTINENT INFORMATION TO PRIVATE REDEVELOPERS OR ANY PERSONS INTERESTED IN UNDERTAKING TO REDEVELOP OR REHABILITATE AN URBAN RENEWAL AREA, OR ANY PART THEREOF. THE NOTICE SHALL IDENTIFY THE AREA, OR PORTION THEREOF, AND SHALL STATE THAT PROPOSALS SHALL BE MADE BY THOSE INTERESTED WITHIN A SPECIFIED PERIOD. THE MUNICIPALITY SHALL CONSIDER ALL REDEVELOPMENT OR REHABILITATION PROPOSALS AND THE FINANCIAL AND LEGAL ABILITY OF THE PERSONS MAKING PROPOSALS TO CARRY THEM OUT, AND MAY NEGOTIATE WITH ANY PERSONS FOR PROPOSALS FOR THE PURCHASE, LEASE, OR OTHER TRANSFER OF ANY REAL PROPERTY ACQUIRED BY THE MUNICIPALITY IN THE URBAN RENEWAL AREA. THE MUNICIPALITY MAY ACCEPT ANY PROPOSAL AS IT DEEMS TO BE IN THE PUBLIC INTEREST AND IN FURTHERANCE OF THE PURPOSES OF THIS APPENDIX. THEREAFTER, THE MUNICIPALITY MAY EXECUTE AND DELIVER CONTRACTS, DEEDS, LEASES, AND OTHER INSTRUMENTS AND TAKE ALL STEPS NECESSARY TO EFFECTUATE THE TRANSFERS.

(C) THE MUNICIPALITY MAY OPERATE TEMPORARILY AND MAINTAIN REAL PROPERTY ACQUIRED BY IT IN AN URBAN RENEWAL AREA FOR OR IN CONNECTION WITH AN URBAN RENEWAL PROJECT PENDING THE DISPOSITION OF THE PROPERTY AS AUTHORIZED IN THIS APPENDIX, WITHOUT REGARD TO THE PROVISIONS OF SUBSECTION (A), FOR USES AND PURPOSES CONSIDERED DESIRABLE EVEN THOUGH NOT IN CONFORMITY WITH THE URBAN RENEWAL PLAN.

(D) ANY INSTRUMENT EXECUTED BY THE MUNICIPALITY AND PURPORTING TO CONVEY ANY RIGHT, TITLE, OR INTEREST IN ANY PROPERTY UNDER THIS APPENDIX SHALL BE PRESUMED CONCLUSIVELY TO HAVE BEEN

EXECUTED IN COMPLIANCE WITH THE PROVISIONS OF THIS APPENDIX INSOFAR AS TITLE OR OTHER INTEREST OF ANY BONA FIDE PURCHASERS, LESSEES, OR TRANSFEREES OF THE PROPERTY IS CONCERNED.

A1–109. EMINENT DOMAIN.

CONDEMNATION OF LAND OR PROPERTY UNDER THE PROVISIONS OF THIS APPENDIX SHALL BE IN ACCORDANCE WITH THE PROCEDURE PROVIDED IN THE REAL PROPERTY ARTICLE OF THE ANNOTATED CODE OF MARYLAND.

A1–110. ENCOURAGEMENT OF PRIVATE ENTERPRISE.

THE MUNICIPALITY, TO THE EXTENT IT DETERMINES TO BE FEASIBLE IN CARRYING OUT THE PROVISIONS OF THIS APPENDIX, SHALL AFFORD MAXIMUM OPPORTUNITY TO THE REHABILITATION OR REDEVELOPMENT OF ANY URBAN RENEWAL AREA BY PRIVATE ENTERPRISE CONSISTENT WITH THE SOUND NEEDS OF THE MUNICIPALITY AS A WHOLE. THE MUNICIPALITY SHALL GIVE CONSIDERATION TO THIS OBJECTIVE IN EXERCISING ITS POWERS UNDER THIS APPENDIX.

A1–111. GENERAL OBLIGATION BONDS.

FOR THE PURPOSE OF FINANCING AND CARRYING OUT AN URBAN RENEWAL PROJECT AND RELATED ACTIVITIES, THE MUNICIPALITY MAY ISSUE AND SELL ITS GENERAL OBLIGATION BONDS. ANY BONDS ISSUED BY THE MUNICIPALITY PURSUANT TO THIS SECTION SHALL BE ISSUED IN THE MANNER AND WITHIN THE LIMITATIONS PRESCRIBED BY APPLICABLE LAW FOR THE ISSUANCE AND AUTHORIZATION OF GENERAL OBLIGATION BONDS BY THE MUNICIPALITY, AND ALSO WITHIN LIMITATIONS DETERMINED BY THE MUNICIPALITY.

A1–112. REVENUE BONDS.

(A) IN ADDITION TO THE AUTHORITY CONFERRED BY SECTION A1–111 OF THIS APPENDIX, THE MUNICIPALITY MAY ISSUE REVENUE BONDS TO FINANCE THE UNDERTAKING OF ANY URBAN RENEWAL PROJECT AND RELATED ACTIVITIES. ALSO, IT MAY ISSUE REFUNDING BONDS FOR THE PAYMENT OR RETIREMENT OF THE BONDS ISSUED PREVIOUSLY BY IT. THE BONDS SHALL BE MADE PAYABLE, AS TO BOTH PRINCIPAL AND INTEREST, SOLELY FROM THE

INCOME, PROCEEDS, REVENUES, AND FUNDS OF THE MUNICIPALITY DERIVED FROM OR HELD IN CONNECTION WITH THE UNDERTAKING AND CARRYING OUT OF URBAN RENEWAL PROJECTS UNDER THIS APPENDIX. HOWEVER, PAYMENT OF THE BONDS, BOTH AS TO PRINCIPAL AND INTEREST, MAY BE FURTHER SECURED BY A PLEDGE OF ANY LOAN, GRANT, OR CONTRIBUTION FROM THE FEDERAL GOVERNMENT OR OTHER SOURCE, IN AID OF ANY URBAN RENEWAL PROJECTS OF THE MUNICIPALITY UNDER THIS APPENDIX, AND BY A MORTGAGE OF ANY URBAN RENEWAL PROJECT, OR ANY PART OF A PROJECT, TITLE TO WHICH IS IN THE MUNICIPALITY. IN ADDITION, THE MUNICIPALITY MAY ENTER INTO AN INDENTURE OF TRUST WITH ANY PRIVATE BANKING INSTITUTION OF THIS STATE HAVING TRUST POWERS AND MAY MAKE IN THE INDENTURE OF TRUST COVENANTS AND COMMITMENTS REQUIRED BY ANY PURCHASER FOR THE ADEQUATE SECURITY OF THE BONDS.

(B) BONDS ISSUED UNDER THIS SECTION DO NOT CONSTITUTE AN INDEBTEDNESS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION, ARE NOT SUBJECT TO THE PROVISIONS OF ANY OTHER LAW OR CHARTER RELATING TO THE AUTHORIZATION, ISSUANCE, OR SALE OF BONDS, AND ARE EXEMPTED SPECIFICALLY FROM THE RESTRICTIONS CONTAINED IN SECTIONS 9, 10, AND 11 OF ARTICLE 31 (DEBT – PUBLIC) OF THE ANNOTATED CODE OF MARYLAND. BONDS ISSUED UNDER THE PROVISIONS OF THIS APPENDIX ARE DECLARED TO BE ISSUED FOR AN ESSENTIAL PUBLIC AND GOVERNMENTAL PURPOSE AND, TOGETHER WITH INTEREST ON THEM AND INCOME FROM THEM, ARE EXEMPT FROM ALL TAXES.

(C) BONDS ISSUED UNDER THIS SECTION SHALL BE AUTHORIZED BY RESOLUTION OR ORDINANCE OF THE LEGISLATIVE BODY OF THE MUNICIPALITY. THEY MAY BE ISSUED IN ONE OR MORE SERIES AND SHALL:

(1) BEAR A DATE OR DATES;

(2) MATURE AT A TIME OR TIMES;

(3) BEAR INTEREST AT A RATE OR RATES;

(4) BE IN A DENOMINATION OR DENOMINATIONS;

(5) BE IN A FORM EITHER WITH OR WITHOUT COUPON OR REGISTERED;

(6) CARRY A CONVERSION OR REGISTRATION PRIVILEGE;

(7) HAVE A RANK OR PRIORITY;

(8) BE EXECUTED IN A MANNER;

(9) BE PAYABLE IN A MEDIUM OF PAYMENT, AT A PLACE OR PLACES, AND BE SUBJECT TO TERMS OF REDEMPTION (WITH OR WITHOUT PREMIUM);

(10) BE SECURED IN A MANNER; AND

(11) HAVE OTHER CHARACTERISTICS, AS ARE PROVIDED BY THE RESOLUTION, TRUST INDENTURE, OR MORTGAGE ISSUED PURSUANT TO IT.

(D) THESE BONDS MAY NOT BE SOLD AT LESS THAN PAR VALUE AT PUBLIC SALES WHICH ARE HELD AFTER NOTICE IS PUBLISHED PRIOR TO THE SALE IN A NEWSPAPER HAVING A GENERAL CIRCULATION IN THE AREA IN WHICH THE MUNICIPALITY IS LOCATED AND IN WHATEVER OTHER MEDIUM OF PUBLICATION AS THE MUNICIPALITY MAY DETERMINE. THE BONDS MAY BE EXCHANGED ALSO FOR OTHER BONDS ON THE BASIS OF PAR. HOWEVER, THE BONDS MAY NOT BE SOLD TO THE FEDERAL GOVERNMENT AT PRIVATE SALE AT LESS THAN PAR, AND, IN THE EVENT LESS THAN ALL OF THE AUTHORIZED PRINCIPAL AMOUNT OF THE BONDS IS SOLD TO THE FEDERAL GOVERNMENT, THE BALANCE MAY NOT BE SOLD AT PRIVATE SALE AT LESS THAN PAR AT AN INTEREST COST TO THE MUNICIPALITY WHICH DOES NOT EXCEED THE INTEREST COST TO THE MUNICIPALITY OF THE PORTION OF THE BONDS SOLD TO THE FEDERAL GOVERNMENT.

(E) IN CASE ANY OF THE PUBLIC OFFICIALS OF THE MUNICIPALITY WHOSE SIGNATURES APPEAR ON ANY BONDS OR COUPONS ISSUED UNDER THIS APPENDIX CEASE TO BE OFFICIALS OF THE MUNICIPALITY BEFORE THE DELIVERY OF THE BONDS OR IN THE EVENT ANY OF THE OFFICIALS HAVE BECOME SUCH AFTER THE DATE OF ISSUE OF THEM, THE BONDS ARE VALID AND BINDING OBLIGATIONS OF THE MUNICIPALITY IN ACCORDANCE WITH THEIR TERMS. ANY PROVISION OF ANY LAW TO THE CONTRARY NOTWITHSTANDING, ANY BONDS ISSUED PURSUANT TO THIS APPENDIX ARE FULLY NEGOTIABLE.

(F) IN ANY SUIT, ACTION, OR PROCEEDING INVOLVING THE VALIDITY OR ENFORCEABILITY OF ANY BOND ISSUED UNDER THIS APPENDIX, OR THE SECURITY FOR IT, ANY BOND WHICH RECITES IN SUBSTANCE THAT IT HAS BEEN ISSUED BY THE MUNICIPALITY IN CONNECTION WITH AN URBAN RENEWAL PROJECT SHALL BE CONSIDERED CONCLUSIVELY TO HAVE BEEN ISSUED FOR THAT PURPOSE, AND THE PROJECT SHALL BE CONSIDERED CONCLUSIVELY TO HAVE BEEN PLANNED, LOCATED, AND CARRIED OUT IN ACCORDANCE WITH THE PROVISIONS OF THIS APPENDIX.

(G) ALL BANKS, TRUST COMPANIES, BANKERS, SAVINGS BANKS, AND INSTITUTIONS, BUILDING AND LOAN ASSOCIATIONS, SAVINGS AND LOAN ASSOCIATIONS, INVESTMENT COMPANIES, AND OTHER PERSONS CARRYING ON A BANKING OR INVESTMENT BUSINESS; ALL INSURANCE COMPANIES, INSURANCE ASSOCIATIONS, AND OTHER PERSONS CARRYING ON AN INSURANCE BUSINESS; AND ALL EXECUTORS, ADMINISTRATORS, CURATORS, TRUSTEES, AND OTHER FIDUCIARIES, MAY LEGALLY INVEST ANY SINKING FUNDS, MONEYS, OR OTHER FUNDS BELONGING TO THEM OR WITHIN THEIR CONTROL IN ANY BONDS OR OTHER OBLIGATIONS ISSUED BY THE MUNICIPALITY PURSUANT TO THIS APPENDIX. HOWEVER, THE BONDS AND OTHER OBLIGATIONS SHALL BE SECURED BY AN AGREEMENT BETWEEN THE ISSUER AND THE FEDERAL GOVERNMENT IN WHICH THE ISSUER AGREES TO BORROW FROM THE FEDERAL GOVERNMENT AND THE FEDERAL GOVERNMENT AGREES TO LEND TO THE ISSUER, PRIOR TO THE MATURITY OF THE BONDS OR OTHER OBLIGATIONS, MONEYS IN AN AMOUNT WHICH (TOGETHER WITH ANY OTHER MONEYS COMMITTED IRREVOCABLY TO THE PAYMENT OF PRINCIPAL AND INTEREST ON THE BONDS OR OTHER OBLIGATIONS) WILL SUFFICE TO PAY THE PRINCIPAL OF THE BONDS OR OTHER OBLIGATIONS WITH INTEREST TO MATURITY ON THEM. THE MONEYS UNDER THE TERMS OF THE AGREEMENT SHALL BE REQUIRED TO BE USED FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND THE INTEREST ON THE BONDS OR OTHER OBLIGATIONS AT THEIR MATURITY. THE BONDS AND OTHER OBLIGATIONS SHALL BE AUTHORIZED SECURITY FOR ALL PUBLIC DEPOSITS. THIS SECTION AUTHORIZES ANY PERSONS OR PUBLIC OR PRIVATE POLITICAL SUBDIVISIONS AND OFFICERS TO USE ANY FUNDS OWNED OR CONTROLLED BY THEM FOR THE PURCHASE OF ANY BONDS OR OTHER OBLIGATIONS. WITH REGARD TO LEGAL INVESTMENTS, THIS SECTION MAY NOT BE CONSTRUED TO RELIEVE ANY PERSON OF ANY DUTY OF EXERCISING REASONABLE CARE IN SELECTING SECURITIES.

A1–113. SHORT TITLE.

THIS APPENDIX SHALL BE KNOWN AND MAY BE CITED AS THE GALESTOWN URBAN RENEWAL AUTHORITY FOR SLUM CLEARANCE ACT.

A1–114. AUTHORITY TO AMEND OR REPEAL.

THIS APPENDIX, ENACTED PURSUANT TO ARTICLE III, SECTION 61 OF THE MARYLAND CONSTITUTION, MAY BE AMENDED OR REPEALED ONLY BY THE GENERAL ASSEMBLY OF MARYLAND.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

Approved:

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Governor.

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Speaker of the House of Delegates.

_____

President of the Senate.