

**Department of Legislative Services**  
Maryland General Assembly  
2014 Session

**FISCAL AND POLICY NOTE**

Senate Bill 1102 (Senator Jones-Rodwell)  
Budget and Taxation

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**Maryland Consolidated Capital Bond Loan of 2010 - Baltimore City - Franklin  
Entrepreneurial and Apprenticeship Center**

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This bill seeks to revive the Franklin Entrepreneurial and Apprenticeship Center project by extending the deadline – from June 1, 2013, to June 1, 2015 – for the Board of Directors of the Druid Heights Community Development Corporation, as grantee, to present evidence that matching funds will be provided as required by the Maryland Consolidated Capital Bond Loan of 2010, as amended. It likewise changes the termination date to June 1, 2015. In addition, the bill allows matching funds to consist of real property.

The bill takes effect June 1, 2014.

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**Fiscal Summary**

**State Effect:** The bill does not affect State finances or operations.

**Local Effect:** The bill does not affect the finances or operations of Baltimore City.

**Small Business Effect:** None.

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**Analysis**

**Current Law:** Chapter 483 of 2010 (the fiscal 2011 capital budget), as amended by Chapter 639 of 2012, authorized two separate grants totaling up to \$120,000 to the Board of Directors of the Druid Heights Community Development Corporation for the construction and renovation of the Franklin Entrepreneurial and Apprenticeship Center, located in Baltimore City. Matching funds may not consist of real property, in-kind

contributions, or funds expended prior to the June 1, 2010 effective date of Chapter 483. Chapter 639 of 2012 extended the deadline – from June 1, 2012, to June 1, 2013 – for the grantee to present evidence that a matching fund would be provided. At the same time, the deadline for the proceeds of the loan to be expended or encumbered by the Board of Public Works was changed from June 1, 2012, to June 1, 2013. Thus, any funds that remained unexpended or unencumbered after June 1, 2013, were subject to cancellation.

The bill's changes apply to both grants.

**Background:** The grantee, Druid Heights Community Development Corporation, is a nonprofit organization “whose mission is to cause, promote, and encourage community self-empowerment, create home ownership, affordable housing, and employment and community economic development opportunities.” The original grant was for the renovation of a building for the Franklin Entrepreneurial and Apprenticeship Center, which would house a training facility for persons of all ages.

The grantee advises that it was unable to meet the match requirement due to economic circumstances. The grantee further advises that, if allowed the extension, the organization will be able to provide the required matching funds.

**Additional Comments:** The Board of Public Works – After Meeting Agenda Summary from September 4, 2013, indicates that the two grants for the Franklin Entrepreneurial and Apprenticeship Center in the amounts of \$75,000 and \$45,000 were cancelled.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Board of Public Works, Department of General Services, Department of Legislative Services

**Fiscal Note History:** First Reader - March 14, 2014  
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