
By: Senator Collins (Baltimore County Administration)

Introduced and read first time: January 24, 1996

Assigned to: Budget and Taxation

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 27, 1996

CHAPTER ____

1 AN ACT concerning

2 **Creation of a State Debt - Baltimore County - Eastside Economic Development Initiative**

3 [TAG ftpo]FOR the purpose of authorizing the creation of a State Debt not to exceed ~~\$2,000,000~~
4 \$375,000, the proceeds to be used as a grant to the County Executive and County
5 Council of Baltimore County for certain acquisition, development, or improvement
6 purposes; providing for disbursement of the loan proceeds, subject to arequirement
7 that the grantee provide and expend a matching fund; and providing generally for
8 the issuance and sale of bonds evidencing the loan.

9 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
10 MARYLAND, That:

11 (1) The Board of Public Works may borrow money and incur indebtedness on
12 behalf of the State of Maryland through a State loan to be known as theBaltimore
13 County - Eastside Economic Development Initiative Loan of 1996 in a total principal
14 amount equal to the lesser of (i) ~~\$2,000,000~~ \$375,000 or (ii) the amount of the matching
15 fund provided in accordance with Section 1(5) below. This loan shall beeedenced by the
16 issuance, sale, and delivery of State general obligation bonds authorized by a resolution of
17 the Board of Public Works and issued, sold, and delivered in accordancewith §§ 8-117
18 through 8-124 of the State Finance and Procurement Article and Article 31, § 22 of the
19 Code.

20 (2) The bonds to evidence this loan or installments of this loan maybe sold as a
21 single issue or may be consolidated and sold as part of a single issue of bonds under §
22 8-122 of the State Finance and Procurement Article.

23 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer and
24 first shall be applied to the payment of the expenses of issuing, selling, and delivering the
25 bonds, unless funds for this purpose are otherwise provided, and then shall be credited on
26 the books of the Comptroller and expended, on approval by the Board of Public Works,

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1 for the following public purposes, including any applicable architects' and engineers' fees:
2 as a grant to the County Executive and County Council of Baltimore County (referred to
3 hereafter in this Act as "the grantee") for capital improvements in a defined geographic
4 ~~section of the Essex Middle River area of Baltimore County, the improvements to~~
5 ~~include the repair and renovation of multifamily dwellings and public buildings such as~~
6 ~~the library and community center, street repair, lighting, landscaping, and other~~
7 ~~improvements to the existing buildings and land for the purpose of economic~~
8 ~~development and community enhancement.~~ area contained in the Eastern Baltimore
9 County Revitalization Strategy to include extensions of sewer and water services, road
10 improvements, street landscaping and signs, and curb and gutter improvements.

11 (4) An annual State tax is imposed on all assessable property in the State in rate
12 and amount sufficient to pay the principal of and interest on the bonds, as and when due
13 and until paid in full. The principal shall be discharged within 15 years after the date of
14 issuance of the bonds.

15 (5) Prior to the payment of any funds under the provisions of this Act for the
16 purposes set forth in Section 1(3) above, the grantee shall provide and expend a matching
17 fund. No part of the grantee's matching fund may be provided, either directly or
18 indirectly, from funds of the State, whether appropriated or unappropriated. No part of
19 the fund may consist of real property, in kind contributions, or funds expended prior to
20 the effective date of this Act. In case of any dispute as to the amount of the matching
21 fund or what money or assets may qualify as matching funds, the Board of Public Works
22 shall determine the matter and the Board's decision is final. The grantee has until June 1,
23 1998, to present evidence satisfactory to the Board of Public Works that a matching fund
24 will be provided. If satisfactory evidence is presented, the Board shall certify this fact and
25 the amount of the matching fund to the State Treasurer, and the proceeds of the loan
26 equal to the amount of the matching fund shall be expended for the purposes provided in
27 this Act. Any amount of the loan in excess of the amount of the matching fund certified
28 by the Board of Public Works shall be canceled and be of no further effect.

29 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
30 June 1, 1996.