
By: Senator Hughes

Introduced and read first time: February 2, 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 **Franciscan Center Loan of 1994**

3 FOR the purpose of amending Chapter 198 of the Acts of the General Assembly of 1994,
4 the Franciscan Center Loan of 1994, to extend the time by which the Board of
5 Directors of the Franciscan Center, Inc. shall provide and expend a matching fund
6 and to alter the method of providing the matching fund.

7 BY repealing and reenacting, with amendments,
8 Chapter 198 of the Acts of the General Assembly of 1994
9 Section 1

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

12 **Chapter 198 of the Acts of 1994**

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
14 MARYLAND, That:

15 (1) The Board of Public Works may borrow money and incur indebtedness on
16 behalf of the State of Maryland through a State loan to be known as theFranciscan
17 Center Loan of 1994 in a total principal amount equal to the lesser of (i) \$800,000 or (ii)
18 the amount of the matching fund provided in accordance with Section 1(5) below. This
19 loan shall be evidenced by the issuance, sale, and delivery of State general obligation
20 bonds authorized by a resolution of the Board of Public Works and issued, sold, and
21 delivered in accordance with §§ 8-117 through 8-124 of the State Finance and
22 Procurement Article and Article 31, § 22 of the Code.

1 (2) The bonds to evidence this loan or installments of this loan maybe sold as a
2 single issue or may be consolidated and sold as part of a single issue of bonds under §
3 8-122 of the State Finance and Procurement Article.

4 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer and
5 first shall be applied to the payment of the expenses of issuing, selling, and delivering the
6 bonds, unless funds for this purpose are otherwise provided, and then shall be credited on
7 the books of the Comptroller and expended, on approval by the Board of Public Works,
8 for the following public purposes, including any applicable architects'and engineers' fees:
9 as a grant to the Board of Directors of the Franciscan Center, Inc. forthe repair,
10 renovation, rehabilitation, and expansion of, and for the provision of capital equipment
11 for, the Franciscan Center, a facility providing food and clothes for the poor, to be
12 located at 2214 Maryland Avenue in Baltimore.

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

17 (5) ~~Prior to the payment of any funds under the provisions of this Act for the~~
18 ~~purposes set forth in Section 1(3) above, the~~

19 (A) THE Board of Directors of the Franciscan Center, Inc. shall provide and
20 expend a matching fund.

21 (B) No part of an applicant's matching fund may be provided, either directly
22 or indirectly, from funds of the State, whether appropriated or unappropriated. No part
23 of the fund may consist of real property or in kind contributions. The fund may consist of
24 funds expended prior to the effective date of this Act. In case of any dispute as to the
25 amount of the matching fund or what money or assets may qualify as matching funds, the
26 Board of Public Works shall determine the matter and the Board's decision is final.

27 (C) THE APPLICANT SHALL PRESENT EVIDENCE TO THE SATISFACTION
28 OF THE BOARD OF PUBLIC WORKS OF THE PROVISION AND EXPENDITURE OF THE
29 MATCHING FUND, AND THE BOARD OF PUBLIC WORKS SHALL DISBURSE THE
30 PROCEEDS OF THE GRANT UNDER THE PROVISIONS OF THIS ACT FOR THE
31 PURPOSES SET FORTH IN SECTION 1(3) ABOVE, BOTH TO BE DONE IN INSTALLMENTS.

32 (D) AS THE APPLICANT PROVIDES AND EXPENDS AN INSTALLMENT OF
33 THE MATCHING FUND, THE BOARD OF PUBLIC WORKS SHALL DISBURSE AN
34 INSTALLMENT OF THE PROCEEDS OF THE GRANT EQUAL TO THE PORTION OF THE
35 MATCHING FUND PRESENTED AT THAT TIME BY THE APPLICANT.

36 (E) EACH INSTALLMENT OF THE MATCHING FUND SHALL BE \$400,000.

37 (F) THIS METHOD OF PRESENTATION OF THE MATCHING FUND IN
38 INSTALLMENTS AND OF THE DISBURSEMENT OF THE PROCEEDS OF THE LOAN IN
39 INSTALLMENTS THAT ARE EQUAL TO EACH PRESENTATION OF THE MATCHING
40 FUND SHALL CONTINUE UNTIL THE FIRST TO OCCUR OF THE DISBURSEMENT OF
41 THE TOTAL AMOUNT OF THE GRANT OR JUNE 1, 1997.

1 (G) The Board of Directors of the Franciscan Center, Inc. has until June 1,
2 [1996] 1997, to present ~~evidence satisfactory to the Board of Public Works that a~~
3 ~~matching fund will be provided. If satisfactory evidence is presented, the Board shall~~
4 ~~certify this fact and the amount of the matching fund to the State Treasurer, and the~~
5 ~~proceeds of the loan equal to the amount~~ THE FINAL EVIDENCE SATISFACTORY TO
6 THE BOARD OF PUBLIC WORKS THAT THE TOTAL MATCHING FUND WILL BE
7 PROVIDED. IF SATISFACTORY EVIDENCE IS PRESENTED, THE BOARD SHALL
8 CERTIFY THIS FACT, THE AMOUNT OF THE FINAL INSTALLMENT OF THE MATCHING
9 FUND, AND THE AMOUNT OF THE TOTAL MATCHING FUND TO THE STATE
10 TREASURER, AND THE FINAL PROCEEDS OF THE LOAN EQUAL TO THE FINAL
11 INSTALLMENT of the matching fund shall be expended for the purposes provided in this
12 Act. Any amount of the loan in excess of the amount of the matching fund certified by the
13 Board of Public Works shall be canceled and be of no further effect.

14 (6) No portion of the proceeds of the loan or any of the matching funds may be
15 used for the furtherance of sectarian religious instruction, or in connection with the
16 design, acquisition, or construction of any building used or to be used as a place of
17 sectarian religious worship or instruction, or in connection with any program or
18 department of divinity for any religious denomination. Upon the request of the Board of
19 Public Works, the Board of Directors of the Franciscan Center, Inc. shall submit evidence
20 satisfactory to the Board that none of the proceeds of the loan or any matching funds has
21 been or is being used for a purpose prohibited by this Act.

22 (7) (a) Prior to the issuance of the bonds, the Board of Directors of the
23 Franciscan Center, Inc. shall grant and convey to the Maryland Historical Trust a
24 perpetual preservation easement to the extent of its interest:

25 (i) On the land or such portion of the land acceptable to the Trust;
26 and

27 (ii) On the exterior and interior, where appropriate, of the historic
28 structures.

29 (b) The easement must be in form and substance acceptable to the Trust
30 and the extent of the interest to be encumbered must be acceptable to the Trust.

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