

CF 7lr2677

By: Senators Blount, Lawlah, Hoffman, Hughes, and Kelley

Introduced and read first time: January 16, 1997

Assigned to: Budget and Taxation

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: April 2, 1997

CHAPTER ____

1 AN ACT concerning

2 **Creation of a State Debt - Baltimore City - Epsilon Omega Foundation, Inc. - Family**
3 **Support Center**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$800,000, the
5 proceeds to be used as a grant to the Board of Directors of the Epsilon Omega
6 Foundation, Inc. for certain acquisition, development, or improvement purposes;
7 providing for disbursement of the loan proceeds, subject to a requirement that the
8 Mayor and City Council of Baltimore provide and expend a matching fund; and
9 providing generally for the issuance and sale of bonds evidencing the loan.

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

12 (1) The Board of Public Works may borrow money and incur indebtedness on
13 behalf of the State of Maryland through a State loan to be known as the Baltimore City
14 - Epsilon Omega Foundation, Inc. - Family Support Center Loan of 1997 in a total
15 principal amount equal to the lesser of (i) \$800,000 or (ii) the amount of the matching
16 fund provided in accordance with Section 1(5) below. This loan shall be evidenced by the
17 issuance, sale, and delivery of State general obligation bonds authorized by a resolution of
18 the Board of Public Works and issued, sold, and delivered in accordance with §§ 8-117
19 through 8-124 of the State Finance and Procurement Article and Article 31, § 22 of the
20 Code.

21 (2) The bonds to evidence this loan or installments of this loan may be sold as a
22 single issue or may be consolidated and sold as part of a single issue of bonds under §
23 8-122 of the State Finance and Procurement Article.

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

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1 the books of the Comptroller and expended, on approval by the Board of Public Works,
2 for the following public purposes, including any applicable architects' and engineers' fees:
3 as a grant to the Board of Directors of the Epsilon Omega Foundation, Inc. for the
4 acquisition, renovation, rehabilitation, and repair of, and for the provision of capital
5 equipment for, property located at 3515 Dolfield Avenue in Baltimore City, the property
6 to be used as the Ivy Support Center, a family support center that will present
7 educational, health, recreational, family living, and organizational programs and activities
8 for the community.

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

13 (5) Prior to the payment of any funds under the provisions of this Act for the
14 purposes set forth in Section 1(3) above, the Mayor and City Council of Baltimore shall
15 provide and expend a matching fund. No part of the matching fund may be provided,
16 either directly or indirectly, from funds of the State, whether appropriated or
17 unappropriated. No part of the fund may consist of in kind contributions or funds
18 expended prior to the effective date of this Act. The fund may consist of real property. In
19 case of any dispute as to the amount of the matching fund or what money or assets may
20 qualify as matching funds, the Board of Public Works shall determine the matter and the
21 Board's decision is final. The Mayor and City Council of Baltimore have until June 1,
22 1999, to present evidence satisfactory to the Board of Public Works that a matching fund
23 will be provided. If satisfactory evidence is presented, the Board shall certify this fact and
24 the amount of the matching fund to the State Treasurer, and the proceeds of the loan
25 equal to the amount of the matching fund shall be expended for the purposes provided in
26 this Act. Any amount of the loan in excess of the amount of the matching fund certified
27 by the Board of Public Works shall be canceled and be of no further effect.

28 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
29 June 1, 1997.