

CF 7r3021

By: Senators Currie, Trotter, Dorman, Lawlah, and Miller

Introduced and read first time: January 30, 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 - Prince George's County - Lottsford Corridor Youth Center**

3 FOR the purpose of authorizing the creation of a State Debt not to exceed ~~\$2,000,000~~
4 \$500,000, the proceeds to be used as a grant to the Maryland-National Capital Park
5 and Planning Commission for certain acquisition, development, or improvement
6 purposes; providing for disbursement of the loan proceeds, subject to a requirement
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 **Preamble**

10 ~~WHEREAS, The communities of the Lottsford Corridor are concerned with~~
11 ~~juvenile crime and the problems of at risk youth and recognize their need for accessible~~
12 ~~educational and training opportunities; and~~

13 ~~WHEREAS, According to the Regional Economic Studies Institute, from 1990 to~~
14 ~~1995 the number of families receiving welfare increased by more than 87% in Prince~~
15 ~~George's County, and the number of juvenile criminal cases filed increased by nearly~~
16 ~~39%; and~~

17 ~~WHEREAS, As part of its strategy to address the problems of at risk youth, Prince~~
18 ~~George's County, for the purpose of deterring juvenile crime, has enacted a curfew; and~~

19 ~~WHEREAS, In an effort to assist the County in addressing these problems, various~~
20 ~~civic and business associations have formed the Lottsford Corridor Youth Foundation,~~
21 ~~which will contribute financially, as well as give other assistance from its resources toward~~
22 ~~the operation of the Lottsford Corridor Recreational and Youth Program Center; and~~

23 ~~WHEREAS, The Lottsford Corridor Recreational and Youth Program Center will~~
24 ~~be a unique facility, which will have as its primary purpose youth development for at risk~~

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1 youth throughout the Lottsford Corridor through job training, education, and counseling;
 2 and

3 WHEREAS, The Maryland National Capital Park and Planning Commission has
 4 jurisdiction over parks and recreation centers in Prince George's County, and, as
 5 indicated in its Capital Improvement Program (C.I.P. EC06098), will contribute
 6 \$2,300,000 toward the purchase of bonds to finance construction of the Center; and

7 WHEREAS, Rocky Gorge, Inc., as a participant in a Special Tax Obligation
 8 District, will contribute \$1,200,000 toward purchase of the bonds; now, therefore,

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 the Prince George's
 13 County - Lottsford Corridor Youth Center Loan of 1997 in a total principal amount equal
 14 to the lesser of (i) ~~\$2,000,000~~ \$500,000 or (ii) the amount of the matching fund provided
 15 in accordance with Section 1(5) below. This loan shall be evidenced by the issuance, sale,
 16 and delivery of State general obligation bonds authorized by a resolution of the Board of
 17 Public Works and issued, sold, and delivered in accordance with §§ 8-117 through 8-124
 18 of the State Finance and Procurement Article and Article 31, § 22 of the Code.

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

22 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer and
 23 first shall be applied to the payment of the expenses of issuing, selling, and delivering the
 24 bonds, unless funds for this purpose are otherwise provided, and then shall be credited on
 25 the books of the Comptroller and expended, on approval by the Board of Public Works,
 26 for the following public purposes, including any applicable architects' and engineers' fees:
 27 as a grant to the Maryland-National Capital Park and Planning Commission (referred to
 28 hereafter in this Act as "the grantee") for the planning, design, and construction of, and
 29 for the provision of capital equipment for, the Lottsford Corridor Recreational and
 30 Youth Program Center, a facility in Prince George's County that will be dedicated to the
 31 development of at-risk youth through job training, education, and counseling.

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

36 (5) Prior to the payment of any funds under the provisions of this Act for the
 37 purposes set forth in Section 1(3) above, the grantee shall provide and expend a matching
 38 fund. No part of the grantee's matching fund may be provided, either directly or
 39 indirectly, from funds of the State, whether appropriated or unappropriated. The fund
 40 may consist of real property, in kind contributions, or funds expended prior to the
 41 effective date of this Act. In case of any dispute as to the amount of the matching fund or
 42 what money or assets may qualify as matching funds, the Board of Public Works shall
 43 determine the matter and the Board's decision is final. The grantee has until June 1,

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1 1999, to present evidence satisfactory to the Board of Public Works that a matching fund
2 will be provided. If satisfactory evidence is presented, the Board shall certify this fact and
3 the amount of the matching fund to the State Treasurer, and the proceeds of the loan
4 equal to the amount of the matching fund shall be expended for the purposes provided in
5 this Act. Any amount of the loan in excess of the amount of the matching fund certified
6 by the Board of Public Works shall be canceled and be of no further effect.

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