

CF 7lr2739

By: Senators Hughes and Blount

Introduced and read first time: January 31, 1997

Assigned to: Budget and Taxation

Committee Report: Favorable

Senate action: Adopted

Read second time: March 18, 1997

CHAPTER ____

1 AN ACT concerning

2 **Baltimore City - Grace Outreach Center Loan of 1995**

3 FOR the purpose of amending Chapter 197 of the Acts of the General Assembly of 1995,
4 the Baltimore City - Grace Outreach Center Loan of 1995, to extend the time by
5 which the grantee shall provide evidence of a matching fund.

6 BY repealing and reenacting, with amendments,
7 Chapter 197 of the Acts of the General Assembly of 1995
8 Section 1

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

11 **Chapter 197 of the Acts of 1995**

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

14 (1) The Board of Public Works may borrow money and incur indebtedness on
15 behalf of the State of Maryland through a State loan to be known as the Baltimore City
16 - Grace Outreach Center Loan of 1995 in a total principal amount equal to the lesser of
17 (i) \$700,000 or (ii) the amount of the matching fund provided in accordance with Section
18 1(5) below. This loan shall be evidenced by the issuance, sale, and delivery of State
19 general obligation bonds authorized by a resolution of the Board of Public Works and
20 issued, sold, and delivered in accordance with §§ 8-117 through 8-124 of the State
21 Finance and Procurement Article and Article 31, § 22 of the Code.

22 (2) The bonds to evidence this loan or installments of this loan may be sold as a
23 single issue or may be consolidated and sold as part of a single issue of bonds under §
24 8-122 of the State Finance and Procurement Article.

1 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer and
2 first shall be applied to the payment of the expenses of issuing, selling, and delivering the
3 bonds, unless funds for this purpose are otherwise provided, and then shall be credited on
4 the books of the Comptroller and expended, on approval by the Board of Public Works,
5 for the following public purposes, including any applicable architects' and engineers' fees:
6 as a grant to Grace Outreach Development Corporation (referred to hereafter in this Act
7 as "the grantee") for the demolition and new construction and equipping of a building at
8 2605 Banister Road and the repair and renovation of a facility at 2604 Banister Road in
9 Baltimore, the facilities to be used to provide services to and resources for the
10 community, including counseling, food and clothing distribution, youth activities,
11 education, day care, and emergency assistance.

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

16 (5) Prior to the payment of any funds under the provisions of this Act for the
17 purposes set forth in Section 1(3) above, the grantee shall provide and expend a matching
18 fund. No part of the grantee's matching fund may be provided, either directly or
19 indirectly, from funds of the State, whether appropriated or unappropriated. No part of
20 the fund may consist of real property, in kind contributions, or funds expended prior to
21 the effective date of this Act. In case of any dispute as to the amount of the matching
22 fund or what money or assets may qualify as matching funds, the Board of Public Works
23 shall determine the matter and the Board's decision is final. The grantee has until June 1,
24 [1997] 1999, to present evidence satisfactory to the Board of Public Works that a
25 matching fund will be provided. If satisfactory evidence is presented, the Board shall
26 certify this fact and the amount of the matching fund to the State Treasurer, and the
27 proceeds of the loan equal to the amount of the matching fund shall be expended for the
28 purposes provided in this Act. Any amount of the loan in excess of the amount of the
29 matching fund certified by the Board of Public Works shall be canceled and be of no
30 further effect.

31 (6) No portion of the proceeds of the loan or any of the matching funds may be
32 used for the furtherance of sectarian religious instruction, or in connection with the
33 design, acquisition, or construction of any building used or to be used as a place of
34 sectarian religious worship or instruction, or in connection with any program or
35 department of divinity for any religious denomination. Upon the request of the Board of
36 Public Works, the grantee shall submit evidence satisfactory to the Board that none of the
37 proceeds of the loan or any matching funds have been or are being used for a purpose
38 prohibited by this Act.

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

