

CF 7r2166

By: ~~Senator Hughes~~ Senators Hughes and McFadden

Introduced and read first time: January 31, 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 - The Baltimore Conservatory in Druid Hill Park

3 FOR the purpose of authorizing the creation of a State Debt not to exceed \$500,000, the
 4 proceeds to be used as a grant to the Mayor and City Council of Baltimore for
 5 certain acquisition, development, or improvement purposes; providing for
 6 disbursement of the loan proceeds, subject to a requirement that the grantee
 7 provide and expend a matching fund; requiring the grantee to grant and convey a
 8 certain easement to the Maryland Historical Trust; and providing generally for the
 9 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
 14 Conservatory in Druid Hill Park Loan of 1997 in a total principal amount equal to the
 15 lesser of (i) \$500,000 or (ii) the amount of the matching fund provided in accordance with
 16 Section 1(5) below. This loan shall be evidenced by the issuance, sale, and delivery of
 17 State general obligation bonds authorized by a resolution of the Board of Public Works
 18 and issued, sold, and delivered in accordance with §§ 8-117 through 8-124 of the State
 19 Finance and Procurement Article and Article 31, § 22 of the Code.

20 (2) The bonds to evidence this loan or installments of this loan may be 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 Mayor and City Council of Baltimore (referred to hereafter in this Act
 3 as "the grantee") for the planning, design, repair, renovation, restoration, and
 4 reconstruction of, and for the provision of capital equipment for, The Baltimore
 5 Conservatory facilities in Druid Hill Park in Baltimore City.

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

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

26 (6) (a) Prior to the issuance of the bonds, the grantee shall grant and convey to
 27 the Maryland Historical Trust a perpetual preservation easement to the extent of its
 28 interest:

29 (i) On the land or such portion of the land acceptable to the Trust;
 30 and

31 (ii) On the exterior and interior, where appropriate, of the historic
 32 structures.

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

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

