

SENATE BILL 647

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B2

1998 Regular Session
8lr2425
CF 8lr2467

By: **Senator Sfikas**

Introduced and read first time: February 6, 1998

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Baltimore City - Federal Hill and Fells Point -**
3 **Maryland Maritime Center**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$500,000,
5 the proceeds to be used as a grant to the Preservation Society of Federal Hill and
6 Fells Point for certain acquisition, development, or improvement purposes;
7 providing for disbursement of the loan proceeds, subject to a requirement that
8 the grantee provide and expend a matching fund; requiring the grantee to grant
9 and convey to the Maryland Historical Trust a certain kind of easement; and
10 providing generally for the issuance and sale of bonds evidencing the loan.

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

13 (1) The Board of Public Works may borrow money and incur indebtedness on
14 behalf of the State of Maryland through a State loan to be known as the Baltimore
15 City - Federal Hill and Fells Point - Maryland Maritime Center Loan of 1998 in a
16 total principal amount equal to the lesser of (i) \$500,000 or (ii) the amount of the
17 matching fund provided in accordance with Section 1(5) below. This loan shall be
18 evidenced by the issuance, sale, and delivery of State general obligation bonds
19 authorized by a resolution of the Board of Public Works and issued, sold, and
20 delivered in accordance with §§ 8-117 through 8-124 of the State Finance and
21 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
23 a 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.

25 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
26 and first shall be applied to the payment of the expenses of issuing, selling, and
27 delivering the bonds, unless funds for this purpose are otherwise provided, and then
28 shall be credited on the books of the Comptroller and expended, on approval by the
29 Board of Public Works, for the following public purposes, including any applicable
30 architects' and engineers' fees: as a grant to the Preservation Society of Federal Hill
31 and Fells Point (referred to hereafter in this Act as "the grantee") for the planning,
32 design, repair, renovation, restoration, and capital equipping of two buildings on

1 Thames Street in historic Fells Point, the site to be used for a museum for the
2 permanent display of the Maryland Historical Society's maritime collection, an
3 outdoor maritime display area, and a historic garden.

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

8 (5) Prior to the payment of any funds under the provisions of this Act for the
9 purposes set forth in Section 1(3) above, the grantee shall provide and expend a
10 matching fund. No part of the grantee's matching fund may be provided, either
11 directly or indirectly, from funds of the State, whether appropriated or
12 unappropriated. No part of the fund may consist of in kind contributions or funds
13 expended prior to the effective date of this Act. The matching fund may consist of real
14 property. In case of any dispute as to the amount of the matching fund or what money
15 or assets may qualify as matching funds, the Board of Public Works shall determine
16 the matter and the Board's decision is final. The grantee has until June 1, 2000, to
17 present evidence satisfactory to the Board of Public Works that a matching fund will
18 be provided. If satisfactory evidence is presented, the Board shall certify this fact and
19 the amount of the matching fund to the State Treasurer, and the proceeds of the loan
20 equal to the amount of the matching fund shall be expended for the purposes provided
21 in this Act. Any amount of the loan in excess of the amount of the matching fund
22 certified by the Board of Public Works shall be canceled and be of no further effect.

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

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

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

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

32 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
33 June 1, 1998.