

HOUSE BILL 389

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1999 Regular Session  
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By: **Delegates Dypski, Rawlings, Krysiak, Hammen, Oaks, Montague, V. Jones, Hubers, Proctor, Phillips, A. Jones, Burns, Rosenberg, Branch, Kopp, Paige, C. Davis, McIntosh, Marriott, McHale, Kirk, Doory, Campbell, Redmer, Dobson, Fulton, and Nathan-Pulliam**

Introduced and read first time: February 8, 1999  
Assigned to: Appropriations

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Committee Report: Favorable with amendments  
House action: Adopted  
Read second time: March 29, 1999

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Creation of a State Debt - Baltimore City - Frederick Douglass-Isaac Myers**  
3 **Maritime Park**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed ~~\$3,000,000~~  
5 \$600,000, the proceeds to be used as a grant to the Board of Trustees of the  
6 Living Classrooms Foundation for certain development or improvement  
7 purposes; providing for disbursement of the loan proceeds, subject to a  
8 requirement that the grantee provide and expend a matching fund; requiring  
9 the grantee to grant and convey a certain easement to the Maryland Historical  
10 Trust; and providing generally for the issuance and sale of bonds evidencing the  
11 loan.

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  
16 City - Frederick Douglass-Isaac Myers Maritime Park Loan of 1999 in a total  
17 principal amount equal to the lesser of (i) ~~\$3,000,000~~ \$600,000 or (ii) the amount of  
18 the matching fund provided in accordance with Section 1(5) below. This loan shall be  
19 evidenced by the issuance, sale, and delivery of State general obligation bonds  
20 authorized by a resolution of the Board of Public Works and issued, sold, and  
21 delivered in accordance with §§ 8-117 through 8-124 of the State Finance and  
22 Procurement Article and Article 31, § 22 of the Code.

1 (2) The bonds to evidence this loan or installments of this loan may be sold as  
2 a single issue or may be consolidated and sold as part of a single issue of bonds under  
3 § 8-122 of the State Finance and Procurement Article.

4 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer  
5 and first shall be applied to the payment of the expenses of issuing, selling, and  
6 delivering the bonds, unless funds for this purpose are otherwise provided, and then  
7 shall be credited on the books of the Comptroller and expended, on approval by the  
8 Board of Public Works, for the following public purposes, including any applicable  
9 architects' and engineers' fees: as a grant to the Board of Trustees of the Living  
10 Classrooms Foundation (referred to hereafter in this Act as "the grantee") for the  
11 construction, reconstruction, development, redevelopment, renovation, restoration,  
12 and improvement of the foundation's property to be known as the Frederick  
13 Douglass-Isaac Myers Maritime Park and located at Chase's Wharf in Baltimore City.

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

18 (5) Prior to the payment of any funds under the provisions of this Act for the  
19 purposes set forth in Section 1(3) above, the grantee shall provide and expend a  
20 matching fund. No part of the grantee's matching fund may be provided, either  
21 directly or indirectly, from funds of the State, whether appropriated or  
22 unappropriated. No part of the fund may consist of real property, in kind  
23 contributions, or funds expended prior to the effective date of this Act. In case of any  
24 dispute as to the amount of the matching fund or what money or assets may qualify  
25 as matching funds, the Board of Public Works shall determine the matter and the  
26 Board's decision is final. The grantee has until June 1, 2001, to present evidence  
27 satisfactory to the Board of Public Works that a matching fund will be provided. If  
28 satisfactory evidence is presented, the Board shall certify this fact and the amount of  
29 the matching fund to the State Treasurer, and the proceeds of the loan equal to the  
30 amount of the matching fund shall be expended for the purposes provided in this Act.  
31 Any amount of the loan in excess of the amount of the matching fund certified by the  
32 Board of Public Works shall be canceled and be of no further effect.

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

36 (i) On the land or such portion of the land acceptable to the Trust;  
37 and

38 (ii) On the exterior and interior, where appropriate, of the historic  
39 structures.

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

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
2 June 1, 1999.