

HOUSE BILL 1095

Unofficial Copy
B4

1999 Regular Session
(9lr2438)

ENROLLED BILL
-- Appropriations/Budget and Taxation --

Introduced by **Delegates Schisler and Eckardt**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this
____ day of _____ at _____ o'clock, ____ M.

Speaker.

CHAPTER _____

1 AN ACT concerning

2
3

Avalon Theatre Loan of 1990
Creation of a State Debt - Talbot County - Avalon Theatre

4 ~~FOR the purpose of amending Chapter 258 of the Acts of the General Assembly of~~
5 ~~1990, the Avalon Theatre Loan of 1990, as amended by Chapter 244 of the Acts~~
6 ~~of the General Assembly of 1993, to permit the Board of Trustees of the Avalon~~
7 ~~Foundation, Inc. to receive the proceeds of the loan incrementally as matching~~
8 ~~funds are provided and expended, and to extend the time by which the new~~
9 ~~recipient, the Board of Trustees of the Avalon Foundation, Inc., shall present~~
10 ~~certain evidence of a matching fund to the Board of Public Works.~~

11 ~~BY repealing and reenacting, with amendments,~~
12 ~~Chapter 258 of the Acts of the General Assembly of 1990, as amended by~~
13 ~~Chapter 244 of the Acts of the General Assembly of 1993~~
14 ~~Section 1~~

1 FOR the purpose of authorizing the creation of a State Debt not to exceed \$60,000,
2 the proceeds to be used as a grant to the Board of Trustees of the Avalon
3 Foundation, Inc. for certain development or improvement purposes; providing
4 for disbursement of the loan proceeds, subject to a requirement that the grantee
5 provide and expend a matching fund; requiring the grantee to grant and convey
6 a certain easement to the Maryland Historical Trust; and providing generally for
7 the issuance and sale of bonds evidencing the loan.

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

10 **Chapter 258 of the Acts of 1990, as amended by Chapter 244 of the Acts of**
11 **1993**

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 Avalon~~
16 ~~Theatre Loan of 1990 in the total principal amount of \$85,000. This loan shall be~~
17 ~~evidenced by the issuance, sale, and delivery of State general obligation bonds~~
18 ~~authorized by a resolution of the Board of Public Works and issued, sold, and~~
19 ~~delivered in accordance with §§ 8-117 through 8-124 of the State Finance and~~
20 ~~Procurement Article and Article 31, § 22 of the Code.~~

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

24 (3) ~~The cash proceeds of the sale of the bonds shall be paid to the Treasurer~~
25 ~~and first shall be applied to the payment of the expenses of issuing, selling, and~~
26 ~~delivering the bonds, unless funds for this purpose are otherwise provided, and then~~
27 ~~shall be credited on the books of the Comptroller and expended, on approval by the~~
28 ~~Board of Public Works, for the following public purposes, including any applicable~~
29 ~~architects' and engineers' fees: as a grant to the Board of Trustees of the Avalon~~
30 ~~[Theatre] FOUNDATION, Inc. (REFERRED TO HEREINAFTER IN THIS ACT AS "THE~~
31 ~~GRANTEE") for the purpose of restoring, renovating, repairing, rehabilitating,~~
32 ~~reconstructing, constructing and equipping the historic Avalon Theatre FACILITIES in~~
33 ~~Easton, located in Talbot County.~~

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

38 ~~(5) Prior to the payment of any funds under the provisions of this Act for the~~
39 ~~purposes set forth in Section 1 (3) above, the Board of Trustees of the Avalon Theatre,~~
40 ~~Inc. shall provide at least an equal and matching fund of \$85,000. No part of an~~
41 ~~applicant's matching fund may be provided, either directly or indirectly, from funds of~~

1 the State, whether appropriated or unappropriated. No part of the fund may consist of
2 real property, in kind contributions, or funds expended prior to the effective date of
3 this Act. In case of any dispute as to what money or assets may qualify as matching
4 funds, the Board of Public Works shall determine the matter, and the Board's decision
5 is final. The Board of Trustees of the Avalon Theatre, Inc. has until June 1, 1995, to
6 present evidence satisfactory to the Board of Public Works that the matching fund
7 will be provided. If satisfactory evidence is presented, the Board shall certify this fact
8 to the State Treasurer and the proceeds of the loan shall be expended for the purposes
9 provided in this Act. If this evidence is not presented by June 1, 1995, the proceeds of
10 the loan shall be applied to the purposes authorized in § 8-129 of the State Finance
11 and Procurement Article.]

12 (5) (A) ~~THE GRANTEE SHALL PROVIDE AND EXPEND A MATCHING FUND.~~

13 (B) ~~NO PART OF THE GRANTEE'S MATCHING FUND MAY BE PROVIDED,~~
14 ~~EITHER DIRECTLY OR INDIRECTLY, FROM FUNDS OF THE STATE, WHETHER~~
15 ~~APPROPRIATED OR UNAPPROPRIATED. NO PART OF THE FUND MAY CONSIST OF REAL~~
16 ~~PROPERTY, IN KIND CONTRIBUTIONS, OR FUNDS EXPENDED PRIOR TO THE~~
17 ~~EFFECTIVE DATE OF THIS ACT. IN CASE OF ANY DISPUTE AS TO THE AMOUNT OF THE~~
18 ~~MATCHING FUND OR WHAT MONEY OR ASSETS MAY QUALIFY AS MATCHING FUNDS,~~
19 ~~THE BOARD OF PUBLIC WORKS SHALL DETERMINE THE MATTER AND THE BOARD'S~~
20 ~~DECISION IS FINAL.~~

21 (C) ~~THE GRANTEE SHALL PRESENT EVIDENCE TO THE SATISFACTION OF~~
22 ~~THE BOARD OF PUBLIC WORKS OF THE PROVISION AND EXPENDITURE OF THE~~
23 ~~MATCHING FUND, AND THE BOARD OF PUBLIC WORKS SHALL DISBURSE THE~~
24 ~~PROCEEDS OF THE GRANT UNDER THE PROVISIONS OF THIS ACT FOR THE PURPOSES~~
25 ~~SET FORTH IN SECTION 1(3) ABOVE, BOTH TO BE DONE IN INSTALLMENTS.~~

26 (D) ~~AS THE GRANTEE PROVIDES AND EXPENDS AN INSTALLMENT OF~~
27 ~~THE MATCHING FUND, THE BOARD OF PUBLIC WORKS SHALL DISBURSE AN~~
28 ~~INSTALLMENT OF THE PROCEEDS OF THE GRANT EQUAL TO THE PORTION OF THE~~
29 ~~MATCHING FUND PRESENTED AT THAT TIME BY THE GRANTEE.~~

30 (E) ~~THIS METHOD OF PRESENTATION OF THE MATCHING FUND IN~~
31 ~~INSTALLMENTS AND OF THE DISBURSEMENT OF THE PROCEEDS OF THE LOAN IN~~
32 ~~INSTALLMENTS THAT ARE EQUAL TO EACH PRESENTATION OF THE MATCHING FUND~~
33 ~~SHALL CONTINUE UNTIL THE FIRST TO OCCUR OF THE DISBURSEMENT OF THE~~
34 ~~TOTAL AMOUNT OF THE GRANT OR JUNE 1, 2001.~~

35 (F) ~~THE GRANTEE HAS UNTIL JUNE 1, 2001, TO PRESENT THE FINAL~~
36 ~~EVIDENCE SATISFACTORY TO THE BOARD OF PUBLIC WORKS THAT THE TOTAL~~
37 ~~MATCHING FUND WILL BE PROVIDED. IF SATISFACTORY EVIDENCE IS PRESENTED,~~
38 ~~THE BOARD SHALL CERTIFY THIS FACT, THE AMOUNT OF THE FINAL INSTALLMENT~~
39 ~~OF THE MATCHING FUND, AND THE AMOUNT OF THE TOTAL MATCHING FUND TO~~
40 ~~THE STATE TREASURER, AND THE FINAL PROCEEDS OF THE LOAN EQUAL TO THE~~
41 ~~FINAL INSTALLMENT OF THE MATCHING FUND SHALL BE EXPENDED FOR THE~~
42 ~~PURPOSES PROVIDED IN THIS ACT. AFTER JUNE 1, 2001, ANY AMOUNT OF THE LOAN~~

1 ~~IN EXCESS OF THE AMOUNT OF THE MATCHING FUND CERTIFIED BY THE BOARD OF~~
2 ~~PUBLIC WORKS SHALL BE CANCELED AND BE OF NO FURTHER EFFECT.~~

3 (6) ~~The Board of Trustees of the Avalon [Theatre] FOUNDATION, Inc. shall~~
4 ~~grant and convey a preservation easement on the exterior and interior of the Avalon~~
5 ~~Theatre, where appropriate, and on the land or on the recipient's interest in the land~~
6 ~~to the Maryland Historical Trust, in form and substance acceptable to the Trust. If the~~
7 ~~recipient holds a fee simple interest in the land and structures, the easement shall be~~
8 ~~perpetual in duration.~~

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 Talbot
13 County - Avalon Theatre Loan of 1999 in a total principal amount equal to the lesser
14 of (i) \$60,000 or (ii) the amount of the matching fund provided in accordance with
15 Section 1(5) below. This loan shall be evidenced by the issuance, sale, and delivery of
16 State general obligation bonds authorized by a resolution of the Board of Public
17 Works and issued, sold, and delivered in accordance with §§ 8-117 through 8-124 of
18 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
20 a 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
23 and first shall be applied to the payment of the expenses of issuing, selling, and
24 delivering the bonds, unless funds for this purpose are otherwise provided, and then
25 shall be credited on the books of the Comptroller and expended, on approval by the
26 Board of Public Works, for the following public purposes, including any applicable
27 architects' and engineers' fees: as a grant to the Board of Trustees of the Avalon
28 Foundation, Inc. (referred to hereafter in this Act as "the grantee") for the restoration,
29 renovation, repair, rehabilitation, reconstruction, construction, and capital equipping
30 of the historic Avalon Theatre facilities in Easton, located in Talbot County.

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

35 (5) (a) ~~The grantee shall provide and expend a matching fund.~~

36 (b) ~~No part of the grantee's matching fund may be provided, either~~
37 ~~directly or indirectly, from funds of the State, whether appropriated or~~
38 ~~unappropriated. No part of the fund may consist of real property or funds expended~~
39 ~~prior to the effective date of this Act. The fund may consist of in kind contributions. In~~
40 ~~case of any dispute as to the amount of the matching fund or what money or assets~~
41 ~~may qualify as matching funds, the Board of Public Works shall determine the matter~~
42 ~~and the Board's decision is final.~~

1 ~~(c) The grantee shall present evidence to the satisfaction of the Board of~~
2 ~~Public Works of the provision and expenditure of the matching fund, and the Board of~~
3 ~~Public Works shall disburse the proceeds of the grant under the provisions of this Act~~
4 ~~for the purposes set forth in Section 1(3) above, both to be done in installments.~~

5 ~~(d) As the grantee provides and expends an installment of the matching~~
6 ~~fund, which shall be equal to at least 25% of the grant amount authorized in Section~~
7 ~~1(1) above, the Board of Public Works shall disburse an installment of the proceeds of~~
8 ~~the grant equal to the portion of the matching fund presented at that time by the~~
9 ~~grantee.~~

10 ~~(e) This method of presentation of the matching fund in installments and~~
11 ~~of the disbursement of the proceeds of the loan in installments that are equal to each~~
12 ~~presentation of the matching fund shall continue until the first to occur of the~~
13 ~~disbursement of the total amount of the grant or June 1, 2001.~~

14 ~~(f) The grantee has until June 1, 2001, to present the final evidence~~
15 ~~satisfactory to the Board of Public Works that the total matching fund will be~~
16 ~~provided. If satisfactory evidence is presented, the Board shall certify this fact, the~~
17 ~~amount of the final installment of the matching fund, and the amount of the total~~
18 ~~matching fund to the State Treasurer, and the final proceeds of the loan equal to the~~
19 ~~final installment of the matching fund shall be expended for the purposes provided in~~
20 ~~this Act. After June 1, 2001, any amount of the loan in excess of the amount of the~~
21 ~~matching fund certified by the Board of Public Works shall be canceled and be of no~~
22 ~~further effect.~~

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

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

41 (i) On the land or such portion of the land acceptable to the Trust;
42 and

1 (ii) On the exterior and interior, where appropriate, of the historic
2 structures.

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

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