

SENATE BILL 422

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B2

1999 Regular Session  
9lr0430  
CF 9lr0429

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By: **Senators Hoffman, Blount, Bromwell, Mitchell, Lawlah, Sfikas, and Van Hollen**

Introduced and read first time: February 5, 1999

Assigned to: Budget and Taxation

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A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Baltimore City - Center Stage**

3 FOR the purpose of authorizing the creation of a State Debt not to exceed \$250,000,  
4 the proceeds to be used as a grant to the Board of Trustees of Center Stage  
5 Associates, Inc. for certain acquisition, development, or improvement purposes;  
6 providing for disbursement of the loan proceeds, subject to a requirement that  
7 the grantee provide and expend a matching fund; requiring the grantee to grant  
8 and convey to the Maryland Historical Trust a certain kind of easement; and  
9 providing generally for the 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 City - Center Stage Loan of 1999 in a total principal amount equal to the lesser of (i)  
15 \$250,000 or (ii) the amount of the matching fund provided in accordance with Section  
16 1(5) below. This loan shall be evidenced by the issuance, sale, and delivery of State  
17 general obligation bonds authorized by a resolution of the Board of Public Works and  
18 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  
21 a 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  
24 and first shall be applied to the payment of the expenses of issuing, selling, and  
25 delivering the bonds, unless funds for this purpose are otherwise provided, and then  
26 shall be credited on the books of the Comptroller and expended, on approval by the  
27 Board of Public Works, for the following public purposes, including any applicable  
28 architects' and engineers' fees: as a grant to the Board of Trustees of Center Stage  
29 Associates, Inc. (referred to hereafter in this Act as "the grantee") for the repair,  
30 renovation, and capital equipping of Center Stage, including renovations to bring the

1 theater facility into compliance with the provisions of the Americans with Disabilities  
2 Act.

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

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

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

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

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

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

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