

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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Committee Report: Favorable with amendments  
Senate action: Adopted  
Read second time: April 1, 1999

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CHAPTER \_\_\_\_\_

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 \$125,000, the proceeds to be used as a grant to the Board of Trustees of Center  
5 Stage Associates, Inc. for certain acquisition, development, or improvement  
6 purposes; providing for disbursement of the loan proceeds, subject to a  
7 requirement that the grantee provide and expend a matching fund; ~~requiring~~  
8 ~~the grantee to grant and convey to the Maryland Historical Trust a certain kind~~  
9 ~~of easement~~; and providing generally for the issuance and sale of bonds  
10 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 - Center Stage Loan of 1999 in a total principal amount equal to the lesser of (i)  
16 ~~\$250,000~~ \$125,000 or (ii) the amount of the matching fund provided in accordance  
17 with Section 1(5) below. This loan shall be evidenced by the issuance, sale, and  
18 delivery of State general obligation bonds authorized by a resolution of the Board of  
19 Public Works and issued, sold, and delivered in accordance with §§ 8-117 through  
20 8-124 of the State Finance and 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.

1 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer  
 2 and first shall be applied to the payment of the expenses of issuing, selling, and  
 3 delivering the bonds, unless funds for this purpose are otherwise provided, and then  
 4 shall be credited on the books of the Comptroller and expended, on approval by the  
 5 Board of Public Works, for the following public purposes, including any applicable  
 6 architects' and engineers' fees: as a grant to the Board of Trustees of Center Stage  
 7 Associates, Inc. (referred to hereafter in this Act as "the grantee") for the repair,  
 8 renovation, and capital equipping of Center Stage, including renovations to bring the  
 9 theater facility into compliance with the provisions of the Americans with Disabilities  
 10 Act.

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

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

30 ~~(6) (a) Prior to the issuance of the bonds, the grantee shall grant and convey~~  
 31 ~~to the Maryland Historical Trust a perpetual preservation easement to the extent of~~  
 32 ~~its interest:~~

33 ~~(i) On the land or such portion of the land acceptable to the Trust;~~  
 34 ~~and~~

35 ~~(ii) On the exterior and interior, where appropriate, of the historic~~  
 36 ~~structures.~~

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

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

