

SENATE BILL 521

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B2

1999 Regular Session
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CF 9r1585

By: **Senators Sfikas, McFadden, Blount, Van Hollen, Mitchell, Conway,
Della, Munson, Astle, Hughes, Lawlah, Hoffman, Ruben, Kasemeyer, and
Miller**

Introduced and read first time: February 5, 1999
Assigned to: Budget and Taxation

A BILL ENTITLED

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 the proceeds to be used as a grant to the Board of Trustees of the Living
6 Classrooms Foundation for certain 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 a certain easement to the Maryland Historical Trust; and providing
10 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 - Frederick Douglass-Isaac Myers Maritime Park Loan of 1999 in a total
16 principal amount equal to the lesser of (i) \$3,000,000 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 Board of Trustees of the Living

1 Classrooms Foundation (referred to hereafter in this Act as "the grantee") for the
2 construction, reconstruction, development, redevelopment, renovation, restoration,
3 and improvement of the foundation's property to be known as the Frederick
4 Douglass-Isaac Myers Maritime Park and located at Chase's Wharf in Baltimore City.

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

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

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

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

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

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

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