

SENATE BILL 374

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2001 Regular Session
11r2300
CF 11r2299

By: **Senator Middleton**

Introduced and read first time: February 1, 2001

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Charles County - Melwood Nanjemoy Recreation**
3 **Center**

4 FOR the purpose of authorizing the creation of a State Debt in the amount of
5 \$500,000, the proceeds to be used as a grant to the Board of Directors of
6 Melwood Horticultural Training Center, Inc. for certain development or
7 improvement purposes; requiring the grantee to grant and convey a certain
8 easement to the Maryland Historical Trust; providing for disbursement of the
9 loan proceeds, subject to a requirement that the grantee provide and expend a
10 matching fund; and providing generally for the issuance and sale of bonds
11 evidencing the 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 Charles
16 County - Melwood Nanjemoy Recreation Center Loan of 2001 in the total principal
17 amount of \$500,000. This loan shall be evidenced by the issuance, sale, and delivery of
18 State general obligation bonds authorized by a resolution of the Board of Public
19 Works and issued, sold, and delivered in accordance with §§ 8-117 through 8-124 of
20 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.

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 Directors of Melwood
30 Horticultural Training Center, Inc. (referred to hereafter in this Act as "the grantee")
31 for the planning, design, construction, and capital equipping of the Melwood
32 Nanjemoy Recreation Center, located at 9035 Ironsides Road in Nanjemoy, Maryland.

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

5 (5) Prior to the payment of any funds under the provisions of this Act for the
6 purposes set forth in Section 1(3) above, the grantee shall provide and expend a
7 matching fund of \$125,000. No part of the grantee's matching fund may be provided,
8 either directly or indirectly, from funds of the State, whether appropriated or
9 unappropriated. No part of the fund may consist of real property, in kind
10 contributions, or funds expended prior to the effective date of this Act. In case of any
11 dispute as to the amount of the matching fund or what money or assets may qualify
12 as matching funds, the Board of Public Works shall determine the matter and the
13 Board's decision is final. The grantee has until June 1, 2003, to present evidence
14 satisfactory to the Board of Public Works that a matching fund will be provided. If
15 satisfactory evidence is presented, the Board shall certify this fact to the State
16 Treasurer, and the proceeds of the loan shall be expended for the purposes provided in
17 this Act.

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

21 (i) On the land or such portion of the land acceptable to the Trust;
22 and

23 (ii) On the exterior and interior, where appropriate, of the historic
24 structures.

25 (b) If the grantee or beneficiary of the grant holds a lease on the land
26 and structures, the Trust may accept an easement on the leasehold interest.

27 (c) The easement must be in form and substance acceptable to the Trust
28 and any liens or encumbrances against the land or the structures must be acceptable
29 to the Trust.

30 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
31 June 1, 2001.