

SENATE BILL 409

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B2

2001 Regular Session
1lr1483
CF 1lr1367

By: **Senators Mitchell and Blount**

Introduced and read first time: February 2, 2001

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Baltimore City - Eubie Blake National Jazz**
3 **Institute and Cultural Center**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$800,000,
5 the proceeds to be used as a grant to the Board of Directors of the Eubie Blake
6 National Jazz Institute and Cultural Center, Inc. for certain development or
7 improvement purposes; providing for disbursement of the loan proceeds, subject
8 to a requirement that the grantee provide and expend a matching fund;
9 requiring the grantee to grant and convey a certain easement to the Maryland
10 Historical Trust; 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 Baltimore
16 City - Eubie Blake National Jazz Institute and Cultural Center Loan of 2001 in a
17 total principal amount equal to the lesser of (i) \$800,000 or (ii) the amount of the
18 matching fund provided in accordance with Section 1(5) below. This loan shall be
19 evidenced by the issuance, sale, and delivery of State general obligation bonds
20 authorized by a resolution of the Board of Public Works and issued, sold, and
21 delivered in accordance with §§ 8-117 through 8-124 of the State Finance and
22 Procurement Article and Article 31, § 22 of the Code.

23 (2) The bonds to evidence this loan or installments of this loan may be sold as
24 a single issue or may be consolidated and sold as part of a single issue of bonds under
25 § 8-122 of the State Finance and Procurement Article.

26 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
27 and first shall be applied to the payment of the expenses of issuing, selling, and
28 delivering the bonds, unless funds for this purpose are otherwise provided, and then
29 shall be credited on the books of the Comptroller and expended, on approval by the
30 Board of Public Works, for the following public purposes, including any applicable
31 architects' and engineers' fees: as a grant to the Board of Directors of the Eubie Blake
32 National Jazz Institute and Cultural Center, Inc. (referred to hereafter in this Act as

1 "the grantee") for the acquisition of a new building, and for the renovation, repair,
2 reconstruction, and capital equipping of the new building and the existing adjacent
3 building, for the Eubie Blake National Jazz Institute and Cultural Center, located on
4 North Howard Street in Baltimore, Maryland.

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. The fund may consist of real property, in kind contributions, or funds
14 expended prior to the effective date of this Act. In case of any dispute as to the amount
15 of the matching fund or what money or assets may qualify as matching funds, the
16 Board of Public Works shall determine the matter and the Board's decision is final.
17 The grantee has until June 1, 2003, to present evidence satisfactory to the Board of
18 Public Works that a matching fund will be provided. If satisfactory evidence is
19 presented, the Board shall certify this fact and the amount of the matching fund to
20 the State Treasurer, and the proceeds of the loan equal to the amount of the matching
21 fund shall be expended for the purposes provided in this Act. Any amount of the loan
22 in excess of the amount of the matching fund certified by the Board of Public Works
23 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, 2001.