
By: **Senators Colburn and Baker**
Introduced and read first time: February 1, 2002
Assigned to: Education, Health, and Environmental Affairs

Committee Report: Favorable
Senate action: Adopted
Read second time: March 19, 2002

CHAPTER _____

1 AN ACT concerning

2 **Town of Preston (Caroline County) - Urban Renewal Authority for Slum**
3 **Clearance**

4 FOR the purpose of authorizing the Town of Preston, Caroline County, to undertake
5 and carry out certain urban renewal projects for slum clearance and
6 redevelopment; prohibiting any land or property from being taken under this
7 Act without just compensation being first paid to the party entitled to the
8 compensation; declaring that all land or property taken under this Act is needed
9 for public uses or purposes; authorizing the legislative body of the Town of
10 Preston by ordinance to elect to have the powers granted by this Act exercised by
11 a certain public body; imposing certain requirements for the initiation and
12 approval of an urban renewal project; providing for the disposal of property in
13 an urban renewal area; authorizing the municipal corporation to issue certain
14 bonds under certain circumstances; clarifying that this Act may be amended or
15 repealed only by the General Assembly of Maryland; defining certain terms; and
16 generally relating to urban renewal authority for slum clearance for the Town of
17 Preston in Caroline County.

18 BY adding to
19 Chapter 118 - Charter of the Town of Preston
20 Section A1-101 through A1-114, inclusive, to be under the new heading
21 "Appendix I - Urban Renewal Authority for Slum Clearance"
22 Public Local Laws of Maryland - Compilation of Municipal Charters
23 (1990 Replacement Edition and 2001 Supplement)

24 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
25 MARYLAND, That the Public Local Laws of Maryland - Compilation of Municipal
26 Charters read as follows:

1 **Chapter 118 - Charter of the Town of Preston**

2 APPENDIX I - URBAN RENEWAL AUTHORITY FOR SLUM CLEARANCE

3 A1-101. DEFINITIONS.

4 (A) IN THIS APPENDIX THE FOLLOWING WORDS HAVE THE MEANINGS
5 INDICATED.

6 (B) "BLIGHTED AREA" MEANS AN AREA OR SINGLE PROPERTY IN WHICH THE
7 BUILDING OR BUILDINGS HAVE DECLINED IN PRODUCTIVITY BY REASON OF
8 OBSOLESCENCE, DEPRECIATION, OR OTHER CAUSES TO AN EXTENT THEY NO
9 LONGER JUSTIFY FUNDAMENTAL REPAIRS AND ADEQUATE MAINTENANCE.

10 (C) "BONDS" MEANS ANY BONDS (INCLUDING REFUNDING BONDS), NOTES,
11 INTERIM CERTIFICATES, CERTIFICATES OF INDEBTEDNESS, DEBENTURES, OR
12 OTHER OBLIGATIONS.

13 (D) "FEDERAL GOVERNMENT" MEANS THE UNITED STATES OF AMERICA OR
14 ANY AGENCY OR INSTRUMENTALITY, CORPORATE OR OTHERWISE, OF THE UNITED
15 STATES OF AMERICA.

16 (E) "MUNICIPALITY" MEANS THE TOWN OF PRESTON, MARYLAND.

17 (F) "PERSON" MEANS ANY INDIVIDUAL, FIRM, PARTNERSHIP, CORPORATION,
18 COMPANY, ASSOCIATION, JOINT STOCK ASSOCIATION, OR BODY POLITIC. IT
19 INCLUDES ANY TRUSTEE, RECEIVER, ASSIGNEE, OR OTHER PERSON ACTING IN
20 SIMILAR REPRESENTATIVE CAPACITY.

21 (G) "SLUM AREA" MEANS ANY AREA OR SINGLE PROPERTY WHERE
22 DWELLINGS PREDOMINATE WHICH, BY REASON OF DEPRECIATION, OVERCROWDING,
23 FAULTY ARRANGEMENT OR DESIGN, LACK OF VENTILATION, LIGHT, OR SANITARY
24 FACILITIES, OR ANY COMBINATION OF THESE FACTORS, ARE DETRIMENTAL TO THE
25 PUBLIC SAFETY, HEALTH, OR MORALS.

26 (H) "URBAN RENEWAL AREA" MEANS A SLUM AREA OR A BLIGHTED AREA OR A
27 COMBINATION OF THEM WHICH THE MUNICIPALITY DESIGNATES AS APPROPRIATE
28 FOR AN URBAN RENEWAL PROJECT.

29 (I) "URBAN RENEWAL PLAN" MEANS A PLAN, AS IT EXISTS FROM TIME TO
30 TIME, FOR AN URBAN RENEWAL PROJECT. THE PLAN SHALL BE SUFFICIENTLY
31 COMPLETE TO INDICATE ANY LAND ACQUISITION, DEMOLITION, AND REMOVAL OF
32 STRUCTURES, REDEVELOPMENT, IMPROVEMENTS, AND REHABILITATION AS MAY BE
33 PROPOSED TO BE CARRIED OUT IN THE URBAN RENEWAL AREA, ZONING AND
34 PLANNING CHANGES, IF ANY, LAND USES, MAXIMUM DENSITY, AND BUILDING
35 REQUIREMENTS.

36 (J) "URBAN RENEWAL PROJECT" MEANS UNDERTAKINGS AND ACTIVITIES OF
37 A MUNICIPALITY IN AN URBAN RENEWAL AREA FOR THE ELIMINATION AND FOR THE
38 PREVENTION OF THE DEVELOPMENT OR SPREAD OF SLUMS AND BLIGHT, AND MAY

1 INVOLVE SLUM CLEARANCE AND REDEVELOPMENT IN AN URBAN RENEWAL AREA,
2 OR REHABILITATION OR CONSERVATION IN AN URBAN RENEWAL AREA, OR ANY
3 COMBINATION OR PART OF THEM IN ACCORDANCE WITH AN URBAN RENEWAL PLAN.
4 THESE UNDERTAKINGS AND ACTIVITIES MAY INCLUDE:

5 (1) ACQUISITION OF A SLUM AREA OR A BLIGHTED AREA OR PORTION OF
6 THEM;

7 (2) DEMOLITION AND REMOVAL OF BUILDINGS AND IMPROVEMENTS;

8 (3) INSTALLATION, CONSTRUCTION OR RECONSTRUCTION OF STREETS,
9 UTILITIES, PARKS, PLAYGROUNDS, AND OTHER IMPROVEMENTS NECESSARY FOR
10 CARRYING OUT THE URBAN RENEWAL OBJECTIVES OF THIS APPENDIX IN
11 ACCORDANCE WITH THE URBAN RENEWAL PLAN;

12 (4) DISPOSITION OF ANY PROPERTY ACQUIRED IN THE URBAN RENEWAL
13 AREA, INCLUDING SALE, INITIAL LEASING, OR RETENTION BY THE MUNICIPALITY
14 ITSELF, AT ITS FAIR VALUE FOR USES IN ACCORDANCE WITH THE URBAN RENEWAL
15 PLAN;

16 (5) CARRYING OUT PLANS FOR A PROGRAM OF VOLUNTARY OR
17 COMPULSORY REPAIR AND REHABILITATION OF BUILDINGS OR OTHER
18 IMPROVEMENTS IN ACCORDANCE WITH THE URBAN RENEWAL PLAN;

19 (6) ACQUISITION OF ANY OTHER REAL PROPERTY IN THE URBAN
20 RENEWAL AREA WHERE NECESSARY TO ELIMINATE UNHEALTHFUL, UNSANITARY,
21 OR UNSAFE CONDITIONS, LESSEN DENSITY, ELIMINATE OBSOLETE OR OTHER USES
22 DETRIMENTAL TO THE PUBLIC WELFARE, OR OTHERWISE TO REMOVE OR PREVENT
23 THE SPREAD OF BLIGHT OR DETERIORATION, OR TO PROVIDE LAND FOR NEEDED
24 PUBLIC FACILITIES; AND

25 (7) THE PRESERVATION, IMPROVEMENT, OR EMBELLISHMENT OF
26 HISTORIC STRUCTURES OR MONUMENTS.

27 A1-102. POWERS.

28 (A) THE MUNICIPALITY MAY UNDERTAKE AND CARRY OUT URBAN RENEWAL
29 PROJECTS.

30 (B) THESE PROJECTS SHALL BE LIMITED:

31 (1) TO SLUM CLEARANCE IN SLUM OR BLIGHTED AREAS AND
32 REDEVELOPMENT OR THE REHABILITATION OF SLUM OR BLIGHTED AREAS;

33 (2) TO ACQUIRE IN CONNECTION WITH THOSE PROJECTS, WITHIN THE
34 CORPORATE LIMITS OF THE MUNICIPALITY, LAND AND PROPERTY OF EVERY KIND
35 AND ANY RIGHT, INTEREST, FRANCHISE, EASEMENT, OR PRIVILEGE, INCLUDING
36 LAND OR PROPERTY AND ANY RIGHT OR INTEREST ALREADY DEVOTED TO PUBLIC
37 USE, BY PURCHASE, LEASE, GIFT, CONDEMNATION, OR ANY OTHER LEGAL MEANS;
38 AND

1 (3) TO SELL, LEASE, CONVEY, TRANSFER, OR OTHERWISE DISPOSE OF
2 ANY OF THE LAND OR PROPERTY, REGARDLESS OF WHETHER OR NOT IT HAS BEEN
3 DEVELOPED, REDEVELOPED, ALTERED, OR IMPROVED AND IRRESPECTIVE OF THE
4 MANNER OR MEANS IN OR BY WHICH IT MAY HAVE BEEN ACQUIRED, TO ANY
5 PRIVATE, PUBLIC, OR QUASI-PUBLIC CORPORATION, PARTNERSHIP, ASSOCIATION,
6 PERSON, OR OTHER LEGAL ENTITY.

7 (C) LAND OR PROPERTY TAKEN BY THE MUNICIPALITY FOR ANY OF THESE
8 PURPOSES OR IN CONNECTION WITH THE EXERCISE OF ANY OF THE POWERS WHICH
9 ARE GRANTED BY THIS APPENDIX TO THE MUNICIPALITY BY EXERCISING THE
10 POWER OF EMINENT DOMAIN MAY NOT BE TAKEN WITHOUT JUST COMPENSATION,
11 AS AGREED UPON BETWEEN THE PARTIES, OR AWARDED BY A JURY, BEING FIRST
12 PAID OR TENDERED TO THE PARTY ENTITLED TO THE COMPENSATION.

13 (D) ALL LAND OR PROPERTY NEEDED OR TAKEN BY THE EXERCISE OF THE
14 POWER OF EMINENT DOMAIN BY THE MUNICIPALITY FOR ANY OF THESE PURPOSES
15 OR IN CONNECTION WITH THE EXERCISE OF ANY OF THE POWERS GRANTED BY THIS
16 APPENDIX IS DECLARED TO BE NEEDED OR TAKEN FOR PUBLIC USES AND
17 PURPOSES.

18 (E) ANY OR ALL OF THE ACTIVITIES AUTHORIZED PURSUANT TO THIS
19 APPENDIX CONSTITUTE GOVERNMENTAL FUNCTIONS UNDERTAKEN FOR PUBLIC
20 USES AND PURPOSES AND THE POWER OF TAXATION MAY BE EXERCISED, PUBLIC
21 FUNDS EXPENDED, AND PUBLIC CREDIT EXTENDED IN FURTHERANCE OF THEM.

22 A1-103. ADDITIONAL POWERS.

23 THE MUNICIPALITY HAS THE FOLLOWING ADDITIONAL POWERS. THESE
24 POWERS ARE DECLARED TO BE NECESSARY AND PROPER TO CARRY INTO FULL
25 FORCE AND EFFECT THE SPECIFIC POWERS GRANTED IN THIS APPENDIX AND TO
26 FULLY ACCOMPLISH THE PURPOSES AND OBJECTS CONTEMPLATED BY THE
27 PROVISIONS OF THIS SECTION:

28 (1) TO MAKE OR HAVE MADE ALL SURVEYS AND PLANS NECESSARY TO
29 THE CARRYING OUT OF THE PURPOSES OF THIS APPENDIX AND TO ADOPT OR
30 APPROVE, MODIFY, AND AMEND THOSE PLANS. THESE PLANS MAY INCLUDE, BUT
31 ARE NOT LIMITED TO:

32 (I) PLANS FOR CARRYING OUT A PROGRAM OF VOLUNTARY OR
33 COMPULSORY REPAIR AND REHABILITATION OF BUILDINGS AND IMPROVEMENTS;

34 (II) PLANS FOR THE ENFORCEMENT OF CODES AND REGULATIONS
35 RELATING TO THE USE OF LAND AND THE USE AND OCCUPANCY OF BUILDINGS AND
36 IMPROVEMENTS AND TO THE COMPULSORY REPAIR, REHABILITATION, DEMOLITION,
37 OR REMOVAL OF BUILDINGS AND IMPROVEMENTS; AND

38 (III) APPRAISALS, TITLE SEARCHES, SURVEYS, STUDIES, AND OTHER
39 PLANS AND WORK NECESSARY TO PREPARE FOR THE UNDERTAKING OF URBAN
40 RENEWAL PROJECTS AND RELATED ACTIVITIES; AND TO APPLY FOR, ACCEPT, AND

1 UTILIZE GRANTS OF FUNDS FROM THE FEDERAL GOVERNMENT OR OTHER
2 GOVERNMENTAL ENTITY FOR THOSE PURPOSES;

3 (2) TO PREPARE PLANS FOR THE RELOCATION OF PERSONS (INCLUDING
4 FAMILIES, BUSINESS CONCERNS, AND OTHERS) DISPLACED FROM AN URBAN
5 RENEWAL AREA, AND TO MAKE RELOCATION PAYMENTS TO OR WITH RESPECT TO
6 THOSE PERSONS FOR MOVING EXPENSES AND LOSSES OF PROPERTY FOR WHICH
7 REIMBURSEMENT OR COMPENSATION IS NOT OTHERWISE MADE, INCLUDING THE
8 MAKING OF PAYMENTS FINANCED BY THE FEDERAL GOVERNMENT;

9 (3) TO APPROPRIATE WHATEVER FUNDS AND MAKE WHATEVER
10 EXPENDITURES AS MAY BE NECESSARY TO CARRY OUT THE PURPOSES OF THIS
11 APPENDIX, INCLUDING, BUT NOT LIMITED:

12 (I) TO THE PAYMENT OF ANY AND ALL COSTS AND EXPENSES
13 INCURRED IN CONNECTION WITH, OR INCIDENTAL TO, THE ACQUISITION OF LAND
14 OR PROPERTY, AND FOR THE DEMOLITION, REMOVAL, RELOCATION, RENOVATION,
15 OR ALTERATION OF LAND, BUILDINGS, STREETS, HIGHWAYS, ALLEYS, UTILITIES, OR
16 SERVICES, AND OTHER STRUCTURES OR IMPROVEMENTS, AND FOR THE
17 CONSTRUCTION, RECONSTRUCTION, INSTALLATION, RELOCATION, OR REPAIR OF
18 STREETS, HIGHWAYS, ALLEYS, UTILITIES, OR SERVICES, IN CONNECTION WITH
19 URBAN RENEWAL PROJECTS;

20 (II) TO LEVY TAXES AND ASSESSMENTS FOR THOSE PURPOSES;

21 (III) TO BORROW MONEY AND TO APPLY FOR AND ACCEPT
22 ADVANCES, LOANS, GRANTS, CONTRIBUTIONS, AND ANY OTHER FORM OF FINANCIAL
23 ASSISTANCE FROM THE FEDERAL GOVERNMENT, THE STATE, COUNTY, OR OTHER
24 PUBLIC BODIES, OR FROM ANY SOURCES, PUBLIC OR PRIVATE, FOR THE PURPOSES
25 OF THIS APPENDIX, AND TO GIVE WHATEVER SECURITY AS MAY BE REQUIRED FOR
26 THIS FINANCIAL ASSISTANCE; AND

27 (IV) TO INVEST ANY URBAN RENEWAL FUNDS HELD IN RESERVES
28 OR SINKING FUNDS OR ANY OF THESE FUNDS NOT REQUIRED FOR IMMEDIATE
29 DISBURSEMENT IN PROPERTY OR SECURITIES WHICH ARE LEGAL INVESTMENTS FOR
30 OTHER MUNICIPAL FUNDS;

31 (4) (I) TO HOLD, IMPROVE, CLEAR, OR PREPARE FOR REDEVELOPMENT
32 ANY PROPERTY ACQUIRED IN CONNECTION WITH URBAN RENEWAL PROJECTS;

33 (II) TO MORTGAGE, PLEDGE, HYPOTHECATE, OR OTHERWISE
34 ENCUMBER THAT PROPERTY; AND

35 (III) TO INSURE OR PROVIDE FOR THE INSURANCE OF THE
36 PROPERTY OR OPERATIONS OF THE MUNICIPALITY AGAINST ANY RISKS OR HAZARDS,
37 INCLUDING THE POWER TO PAY PREMIUMS ON ANY INSURANCE;

38 (5) TO MAKE AND EXECUTE ALL CONTRACTS AND OTHER INSTRUMENTS
39 NECESSARY OR CONVENIENT TO THE EXERCISE OF ITS POWERS UNDER THIS
40 APPENDIX, INCLUDING THE POWER TO ENTER INTO AGREEMENTS WITH OTHER

1 PUBLIC BODIES OR AGENCIES (THESE AGREEMENTS MAY EXTEND OVER ANY
2 PERIOD, NOTWITHSTANDING ANY PROVISION OR RULE OF LAW TO THE CONTRARY),
3 AND TO INCLUDE IN ANY CONTRACT FOR FINANCIAL ASSISTANCE WITH THE
4 FEDERAL GOVERNMENT FOR OR WITH RESPECT TO AN URBAN RENEWAL PROJECT
5 AND RELATED ACTIVITIES ANY CONDITIONS IMPOSED PURSUANT TO FEDERAL LAWS
6 AS THE MUNICIPALITY CONSIDERS REASONABLE AND APPROPRIATE;

7 (6) TO ENTER INTO ANY BUILDING OR PROPERTY IN ANY URBAN
8 RENEWAL AREA IN ORDER TO MAKE INSPECTIONS, SURVEYS, APPRAISALS,
9 SOUNDINGS, OR TEST BORINGS, AND TO OBTAIN AN ORDER FOR THIS PURPOSE FROM
10 THE CIRCUIT COURT FOR THE COUNTY IN WHICH THE MUNICIPALITY IS SITUATED IN
11 THE EVENT ENTRY IS DENIED OR RESISTED;

12 (7) TO PLAN, REPLAN, INSTALL, CONSTRUCT, RECONSTRUCT, REPAIR,
13 CLOSE, OR VACATE STREETS, ROADS, SIDEWALKS, PUBLIC UTILITIES, PARKS,
14 PLAYGROUNDS, AND OTHER PUBLIC IMPROVEMENTS IN CONNECTION WITH AN
15 URBAN RENEWAL PROJECT; AND TO MAKE EXCEPTIONS FROM BUILDING
16 REGULATIONS;

17 (8) TO GENERALLY ORGANIZE, COORDINATE, AND DIRECT THE
18 ADMINISTRATION OF THE PROVISIONS OF THIS APPENDIX AS THEY APPLY TO THE
19 MUNICIPALITY IN ORDER THAT THE OBJECTIVE OF REMEDYING SLUM AND
20 BLIGHTED AREAS AND PREVENTING ITS CAUSES WITHIN THE MUNICIPALITY MAY BE
21 PROMOTED AND ACHIEVED MOST EFFECTIVELY; AND

22 (9) TO EXERCISE ALL OR ANY PART OR COMBINATION OF THE POWERS
23 GRANTED IN THIS APPENDIX.

24 A1-104. ESTABLISHMENT OF URBAN RENEWAL AGENCY.

25 (A) A MUNICIPALITY MAY ITSELF EXERCISE ALL THE POWERS GRANTED BY
26 THIS APPENDIX, OR MAY, IF ITS LEGISLATIVE BODY BY ORDINANCE DETERMINES
27 THE ACTION TO BE IN THE PUBLIC INTEREST, ELECT TO HAVE THE POWERS
28 EXERCISED BY A SEPARATE PUBLIC BODY OR AGENCY.

29 (B) IN THE EVENT THE LEGISLATIVE BODY MAKES THAT DETERMINATION, IT
30 SHALL PROCEED BY ORDINANCE TO ESTABLISH A PUBLIC BODY OR AGENCY TO
31 UNDERTAKE IN THE MUNICIPALITY THE ACTIVITIES AUTHORIZED BY THIS
32 APPENDIX.

33 (C) THE ORDINANCE SHALL INCLUDE PROVISIONS ESTABLISHING THE
34 NUMBER OF MEMBERS OF THE PUBLIC BODY OR AGENCY, THE MANNER OF THEIR
35 APPOINTMENT AND REMOVAL, AND THE TERMS OF THE MEMBERS AND THEIR
36 COMPENSATION.

37 (D) THE ORDINANCE MAY INCLUDE WHATEVER ADDITIONAL PROVISIONS
38 RELATING TO THE ORGANIZATION OF THE PUBLIC BODY OR AGENCY AS MAY BE
39 NECESSARY.

1 (E) IN THE EVENT THE LEGISLATIVE BODY ENACTS THIS ORDINANCE, ALL OF
2 THE POWERS BY THIS APPENDIX GRANTED TO THE MUNICIPALITY, FROM THE
3 EFFECTIVE DATE OF THE ORDINANCE, ARE VESTED IN THE PUBLIC BODY OR AGENCY
4 ESTABLISHED BY THE ORDINANCE.

5 A1-105. POWERS WITHHELD FROM THE AGENCY.

6 THE AGENCY MAY NOT:

7 (1) PASS A RESOLUTION TO INITIATE AN URBAN RENEWAL PROJECT
8 PURSUANT TO SECTIONS A1-102 AND A1-103 OF THIS APPENDIX;

9 (2) ISSUE GENERAL OBLIGATION BONDS PURSUANT TO SECTION A1-111
10 OF THIS APPENDIX; OR

11 (3) APPROPRIATE FUNDS OR LEVY TAXES AND ASSESSMENTS
12 PURSUANT TO SECTION A1-103(3) OF THIS APPENDIX.

13 A1-106. INITIATION OF PROJECT.

14 IN ORDER TO INITIATE AN URBAN RENEWAL PROJECT, THE LEGISLATIVE BODY
15 OF THE MUNICIPALITY SHALL ADOPT A RESOLUTION WHICH:

16 (1) FINDS THAT ONE OR MORE SLUM OR BLIGHTED AREAS EXIST IN THE
17 MUNICIPALITY;

18 (2) LOCATES AND DEFINES THE SLUM OR BLIGHTED AREA; AND

19 (3) FINDS THAT THE REHABILITATION, REDEVELOPMENT, OR A
20 COMBINATION OF THEM, OF THE AREA OR AREAS, IS NECESSARY AND IN THE
21 INTEREST OF THE PUBLIC HEALTH, SAFETY, MORALS, OR WELFARE OF THE
22 RESIDENTS OF THE MUNICIPALITY.

23 A1-107. PREPARATION AND APPROVAL OF PLAN FOR URBAN RENEWAL PROJECT.

24 (A) IN ORDER TO CARRY OUT THE PURPOSES OF THIS APPENDIX, THE
25 MUNICIPALITY SHALL HAVE PREPARED AN URBAN RENEWAL PLAN FOR SLUM OR
26 BLIGHTED AREAS IN THE MUNICIPALITY, AND SHALL APPROVE THE PLAN FORMALLY.
27 THE MUNICIPALITY SHALL HOLD A PUBLIC HEARING ON AN URBAN RENEWAL
28 PROJECT AFTER PUBLIC NOTICE OF IT BY PUBLICATION IN A NEWSPAPER HAVING A
29 GENERAL CIRCULATION WITHIN THE CORPORATE LIMITS OF THE MUNICIPALITY.
30 THE NOTICE SHALL DESCRIBE THE TIME, DATE, PLACE, AND PURPOSE OF THE
31 HEARING, SHALL GENERALLY IDENTIFY THE URBAN RENEWAL AREA COVERED BY
32 THE PLAN, AND SHALL OUTLINE THE GENERAL SCOPE OF THE URBAN RENEWAL
33 PROJECT UNDER CONSIDERATION. FOLLOWING THE HEARING, THE MUNICIPALITY
34 MAY APPROVE AN URBAN RENEWAL PROJECT AND THE PLAN THEREFOR IF IT FINDS
35 THAT:

36 (1) A FEASIBLE METHOD EXISTS FOR THE LOCATION OF ANY FAMILIES
37 OR NATURAL PERSONS WHO WILL BE DISPLACED FROM THE URBAN RENEWAL AREA

1 IN DECENT, SAFE, AND SANITARY DWELLING ACCOMMODATIONS WITHIN THEIR
2 MEANS AND WITHOUT UNDUE HARDSHIP TO THE FAMILIES OR NATURAL PERSONS;

3 (2) THE URBAN RENEWAL PLAN CONFORMS SUBSTANTIALLY TO THE
4 MASTER PLAN OF THE MUNICIPALITY AS A WHOLE; AND

5 (3) THE URBAN RENEWAL PLAN WILL AFFORD MAXIMUM OPPORTUNITY,
6 CONSISTENT WITH THE SOUND NEEDS OF THE MUNICIPALITY AS A WHOLE, FOR THE
7 REHABILITATION OR REDEVELOPMENT OF THE URBAN RENEWAL AREA BY PRIVATE
8 ENTERPRISE.

9 (B) AN URBAN RENEWAL PLAN MAY BE MODIFIED AT ANY TIME. IF MODIFIED
10 AFTER THE LEASE OR SALE OF REAL PROPERTY IN THE URBAN RENEWAL PROJECT
11 AREA, THE MODIFICATION MAY BE CONDITIONED UPON WHATEVER APPROVAL OF
12 THE OWNER, LESSEE, OR SUCCESSOR IN INTEREST AS THE MUNICIPALITY
13 CONSIDERS ADVISABLE. IN ANY EVENT, IT SHALL BE SUBJECT TO WHATEVER
14 RIGHTS AT LAW OR IN EQUITY AS A LESSEE OR PURCHASER, OR HIS SUCCESSOR OR
15 SUCCESSORS IN INTEREST, MAY BE ENTITLED TO ASSERT. WHERE THE PROPOSED
16 MODIFICATION WILL CHANGE SUBSTANTIALLY THE URBAN RENEWAL PLAN AS
17 APPROVED PREVIOUSLY BY THE MUNICIPALITY, THE MODIFICATION SHALL BE
18 APPROVED FORMALLY BY THE MUNICIPALITY, AS IN THE CASE OF AN ORIGINAL
19 PLAN.

20 (C) UPON THE APPROVAL BY THE MUNICIPALITY OF AN URBAN RENEWAL
21 PLAN OR OF ANY MODIFICATION OF IT, THE PLAN OR MODIFICATION SHALL BE
22 CONSIDERED TO BE IN FULL FORCE AND EFFECT FOR THE RESPECTIVE URBAN
23 RENEWAL AREA. THE MUNICIPALITY MAY HAVE THE PLAN OR MODIFICATION
24 CARRIED OUT IN ACCORDANCE WITH ITS TERMS.

25 A1-108. DISPOSAL OF PROPERTY IN URBAN RENEWAL AREA.

26 (A) THE MUNICIPALITY MAY SELL, LEASE, OR OTHERWISE TRANSFER REAL
27 PROPERTY OR ANY INTEREST IN IT ACQUIRED BY IT FOR AN URBAN RENEWAL
28 PROJECT TO ANY PERSON FOR RESIDENTIAL, RECREATIONAL, COMMERCIAL,
29 INDUSTRIAL, EDUCATIONAL, OR OTHER USES OR FOR PUBLIC USE, OR IT MAY RETAIN
30 THE PROPERTY OR INTEREST FOR PUBLIC USE, IN ACCORDANCE WITH THE URBAN
31 RENEWAL PLAN AND SUBJECT TO WHATEVER COVENANTS, CONDITIONS, AND
32 RESTRICTIONS, INCLUDING COVENANTS RUNNING WITH THE LAND, AS IT
33 CONSIDERS NECESSARY OR DESIRABLE TO ASSIST IN PREVENTING THE
34 DEVELOPMENT OR SPREAD OF FUTURE SLUMS OR BLIGHTED AREAS OR TO
35 OTHERWISE CARRY OUT THE PURPOSES OF THIS APPENDIX. THE PURCHASERS OR
36 LESSEES AND THEIR SUCCESSORS AND ASSIGNS SHALL BE OBLIGATED TO DEVOTE
37 THE REAL PROPERTY ONLY TO THE USES SPECIFIED IN THE URBAN RENEWAL PLAN,
38 AND MAY BE OBLIGATED TO COMPLY WITH WHATEVER OTHER REQUIREMENTS THE
39 MUNICIPALITY DETERMINES TO BE IN THE PUBLIC INTEREST, INCLUDING THE
40 OBLIGATION TO BEGIN WITHIN A REASONABLE TIME ANY IMPROVEMENTS ON THE
41 REAL PROPERTY REQUIRED BY THE URBAN RENEWAL PLAN. THE REAL PROPERTY OR
42 INTEREST MAY NOT BE SOLD, LEASED, OTHERWISE TRANSFERRED, OR RETAINED AT
43 LESS THAN ITS FAIR VALUE FOR USES IN ACCORDANCE WITH THE URBAN RENEWAL

1 PLAN. IN DETERMINING THE FAIR VALUE OF REAL PROPERTY FOR USES IN
2 ACCORDANCE WITH THE URBAN RENEWAL PLAN, THE MUNICIPALITY SHALL TAKE
3 INTO ACCOUNT AND GIVE CONSIDERATION TO THE USES PROVIDED IN THE PLAN,
4 THE RESTRICTIONS UPON, AND THE COVENANTS, CONDITIONS, AND OBLIGATIONS
5 ASSUMED BY THE PURCHASER OR LESSEE OR BY THE MUNICIPALITY RETAINING
6 THE PROPERTY, AND THE OBJECTIVES OF THE PLAN FOR THE PREVENTION OF THE
7 RECURRENCE OF SLUM OR BLIGHTED AREAS. IN ANY INSTRUMENT OR CONVEYANCE
8 TO A PRIVATE PURCHASER OR LESSEE, THE MUNICIPALITY MAY PROVIDE THAT THE
9 PURCHASER OR LESSEE MAY NOT SELL, LEASE, OR OTHERWISE TRANSFER THE REAL
10 PROPERTY WITHOUT THE PRIOR WRITTEN CONSENT OF THE MUNICIPALITY UNTIL
11 HE HAS COMPLETED THE CONSTRUCTION OF ANY OR ALL IMPROVEMENTS WHICH
12 HE HAS OBLIGATED HIMSELF TO CONSTRUCT ON THE PROPERTY. REAL PROPERTY
13 ACQUIRED BY THE MUNICIPALITY WHICH, IN ACCORDANCE WITH THE PROVISIONS
14 OF THE URBAN RENEWAL PLAN, IS TO BE TRANSFERRED, SHALL BE TRANSFERRED
15 AS RAPIDLY AS FEASIBLE IN THE PUBLIC INTEREST CONSISTENT WITH THE
16 CARRYING OUT OF THE PROVISIONS OF THE URBAN RENEWAL PLAN. ANY CONTRACT
17 FOR THE TRANSFER AND THE URBAN RENEWAL PLAN (OR ANY PART OR PARTS OF
18 THE CONTRACT OR PLAN AS THE MUNICIPALITY DETERMINES) MAY BE RECORDED IN
19 THE LAND RECORDS OF THE COUNTY IN WHICH THE MUNICIPALITY IS SITUATED IN
20 A MANNER SO AS TO AFFORD ACTUAL OR CONSTRUCTIVE NOTICE OF IT.

21 (B) THE MUNICIPALITY MAY DISPOSE OF REAL PROPERTY IN AN URBAN
22 RENEWAL AREA TO PRIVATE PERSONS. THE MUNICIPALITY MAY, BY PUBLIC NOTICE
23 BY PUBLICATION IN A NEWSPAPER HAVING A GENERAL CIRCULATION IN THE
24 COMMUNITY INVITE PROPOSALS FROM AND MAKE AVAILABLE ALL PERTINENT
25 INFORMATION TO PRIVATE REDEVELOPERS OR ANY PERSONS INTERESTED IN
26 UNDERTAKING TO REDEVELOP OR REHABILITATE AN URBAN RENEWAL AREA, OR
27 ANY PART THEREOF. THE NOTICE SHALL IDENTIFY THE AREA, OR PORTION
28 THEREOF, AND SHALL STATE THAT PROPOSALS SHALL BE MADE BY THOSE
29 INTERESTED WITHIN A SPECIFIED PERIOD. THE MUNICIPALITY SHALL CONSIDER
30 ALL REDEVELOPMENT OR REHABILITATION PROPOSALS AND THE FINANCIAL AND
31 LEGAL ABILITY OF THE PERSONS MAKING PROPOSALS TO CARRY THEM OUT, AND
32 MAY NEGOTIATE WITH ANY PERSONS FOR PROPOSALS FOR THE PURCHASE, LEASE,
33 OR OTHER TRANSFER OF ANY REAL PROPERTY ACQUIRED BY THE MUNICIPALITY IN
34 THE URBAN RENEWAL AREA. THE MUNICIPALITY MAY ACCEPT ANY PROPOSAL AS IT
35 DEEMS TO BE IN THE PUBLIC INTEREST AND IN FURTHERANCE OF THE PURPOSES OF
36 THIS SUBHEADING. THEREAFTER, THE MUNICIPALITY MAY EXECUTE AND DELIVER
37 CONTRACTS, DEEDS, LEASES, AND OTHER INSTRUMENTS AND TAKE ALL STEPS
38 NECESSARY TO EFFECTUATE THE TRANSFERS.

39 (C) THE MUNICIPALITY MAY OPERATE TEMPORARILY AND MAINTAIN REAL
40 PROPERTY ACQUIRED BY IT IN AN URBAN RENEWAL AREA FOR OR IN CONNECTION
41 WITH AN URBAN RENEWAL PROJECT PENDING THE DISPOSITION OF THE PROPERTY
42 AS AUTHORIZED IN THIS APPENDIX, WITHOUT REGARD TO THE PROVISIONS OF
43 SUBSECTION (A), FOR USES AND PURPOSES CONSIDERED DESIRABLE EVEN THOUGH
44 NOT IN CONFORMITY WITH THE URBAN RENEWAL PLAN.

45 (D) ANY INSTRUMENT EXECUTED BY THE MUNICIPALITY AND PURPORTING
46 TO CONVEY ANY RIGHT, TITLE, OR INTEREST IN ANY PROPERTY UNDER THIS

1 APPENDIX SHALL BE PRESUMED CONCLUSIVELY TO HAVE BEEN EXECUTED IN
2 COMPLIANCE WITH THE PROVISIONS OF THIS APPENDIX INsofar AS TITLE OR
3 OTHER INTEREST OF ANY BONA FIDE PURCHASERS, LESSEES, OR TRANSFEREES OF
4 THE PROPERTY IS CONCERNED.

5 A1-109. EMINENT DOMAIN.

6 CONDEMNATION OF LAND OR PROPERTY UNDER THE PROVISIONS OF THIS
7 APPENDIX SHALL BE IN ACCORDANCE WITH THE PROCEDURE PROVIDED IN THE
8 REAL PROPERTY ARTICLE OF THE ANNOTATED CODE OF MARYLAND.

9 A1-110. ENCOURAGEMENT OF PRIVATE ENTERPRISE.

10 THE MUNICIPALITY, TO THE EXTENT IT DETERMINES TO BE FEASIBLE IN
11 CARRYING OUT THE PROVISIONS OF THIS APPENDIX, SHALL AFFORD MAXIMUM
12 OPPORTUNITY TO THE REHABILITATION OR REDEVELOPMENT OF ANY URBAN
13 RENEWAL AREA BY PRIVATE ENTERPRISE CONSISTENT WITH THE SOUND NEEDS OF
14 THE MUNICIPALITY AS A WHOLE. THE MUNICIPALITY SHALL GIVE CONSIDERATION
15 TO THIS OBJECTIVE IN EXERCISING ITS POWERS UNDER THIS APPENDIX.

16 A1-111. GENERAL OBLIGATION BONDS.

17 FOR THE PURPOSE OF FINANCING AND CARRYING OUT OF AN URBAN RENEWAL
18 PROJECT AND RELATED ACTIVITIES, THE MUNICIPALITY MAY ISSUE AND SELL ITS
19 GENERAL OBLIGATION BONDS. ANY BONDS ISSUED BY THE MUNICIPALITY
20 PURSUANT TO THIS SECTION SHALL BE ISSUED IN THE MANNER AND WITHIN THE
21 LIMITATIONS PRESCRIBED BY APPLICABLE LAW FOR THE ISSUANCE AND
22 AUTHORIZATION OF GENERAL OBLIGATION BONDS BY THE MUNICIPALITY, AND ALSO
23 WITHIN LIMITATIONS DETERMINED BY THE MUNICIPALITY.

24 A1-112. REVENUE BONDS.

25 (A) IN ADDITION TO THE AUTHORITY CONFERRED BY SECTION A1-111 OF THIS
26 APPENDIX, THE MUNICIPALITY MAY ISSUE REVENUE BONDS TO FINANCE THE
27 UNDERTAKING OF ANY URBAN RENEWAL PROJECT AND RELATED ACTIVITIES. ALSO,
28 IT MAY ISSUE REFUNDING BONDS FOR THE PAYMENT OR RETIREMENT OF THE
29 BONDS ISSUED PREVIOUSLY BY IT. THE BONDS SHALL BE MADE PAYABLE, AS TO
30 BOTH PRINCIPAL AND INTEREST, SOLELY FROM THE INCOME, PROCEEDS,
31 REVENUES, AND FUNDS OF THE MUNICIPALITY DERIVED FROM OR HELD IN
32 CONNECTION WITH THE UNDERTAKING AND CARRYING OUT OF URBAN RENEWAL
33 PROJECTS UNDER THIS APPENDIX. HOWEVER, PAYMENT OF THE BONDS, BOTH AS TO
34 PRINCIPAL AND INTEREST, MAY BE FURTHER SECURED BY A PLEDGE OF ANY LOAN,
35 GRANT, OR CONTRIBUTION FROM THE FEDERAL GOVERNMENT OR OTHER SOURCE,
36 IN AID OF ANY URBAN RENEWAL PROJECTS OF THE MUNICIPALITY UNDER THIS
37 APPENDIX, AND BY A MORTGAGE OF ANY URBAN RENEWAL PROJECT, OR ANY PART
38 OF A PROJECT, TITLE TO WHICH IS IN THE MUNICIPALITY. IN ADDITION, THE
39 MUNICIPALITY MAY ENTER INTO AN INDENTURE OF TRUST WITH ANY PRIVATE
40 BANKING INSTITUTION OF THIS STATE HAVING TRUST POWERS AND MAY MAKE IN
41 THE INDENTURE OF TRUST COVENANTS AND COMMITMENTS REQUIRED BY ANY
42 PURCHASER FOR THE ADEQUATE SECURITY OF THE BONDS.

1 (B) BONDS ISSUED UNDER THIS SECTION DO NOT CONSTITUTE AN
2 INDEBTEDNESS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY
3 DEBT LIMITATION OR RESTRICTION, ARE NOT SUBJECT TO THE PROVISIONS OF ANY
4 OTHER LAW OR CHARTER RELATING TO THE AUTHORIZATION, ISSUANCE, OR SALE
5 OF BONDS, AND ARE EXEMPTED SPECIFICALLY FROM THE RESTRICTIONS
6 CONTAINED IN SECTIONS 9, 10, AND 11 OF ARTICLE 31 (DEBT - PUBLIC) OF THE
7 ANNOTATED CODE OF MARYLAND. BONDS ISSUED UNDER THE PROVISIONS OF THIS
8 APPENDIX ARE DECLARED TO BE ISSUED FOR AN ESSENTIAL PUBLIC AND
9 GOVERNMENTAL PURPOSE AND, TOGETHER WITH INTEREST ON THEM AND INCOME
10 FROM THEM, ARE EXEMPT FROM ALL TAXES.

11 (C) BONDS ISSUED UNDER THIS SECTION SHALL BE AUTHORIZED BY
12 RESOLUTION OR ORDINANCE OF THE LEGISLATIVE BODY OF THE MUNICIPALITY.
13 THEY MAY BE ISSUED IN ONE OR MORE SERIES AND:

- 14 (1) SHALL BEAR A DATE OR DATES;
- 15 (2) MATURE AT A TIME OR TIMES;
- 16 (3) BEAR INTEREST AT A RATE OR RATES;
- 17 (4) BE IN A DENOMINATION OR DENOMINATIONS;
- 18 (5) BE IN A FORM EITHER WITH OR WITHOUT COUPON OR REGISTERED;
- 19 (6) CARRY A CONVERSION OR REGISTRATION PRIVILEGE;
- 20 (7) HAVE A RANK OR PRIORITY;
- 21 (8) BE EXECUTED IN A MANNER;
- 22 (9) BE PAYABLE IN A MEDIUM OR PAYMENT, AT A PLACE OR PLACES,
23 AND BE SUBJECT TO TERMS OF REDEMPTION (WITH OR WITHOUT PREMIUM);
- 24 (10) BE SECURED IN A MANNER; AND
- 25 (11) HAVE OTHER CHARACTERISTICS, AS ARE PROVIDED BY THE
26 RESOLUTION, TRUST INDENTURE, OR MORTGAGE ISSUED PURSUANT TO IT.

27 (D) THESE BONDS MAY NOT BE SOLD AT LESS THAN PAR VALUE AT PUBLIC
28 SALES WHICH ARE HELD AFTER NOTICE IS PUBLISHED PRIOR TO THE SALE IN A
29 NEWSPAPER HAVING A GENERAL CIRCULATION IN THE AREA IN WHICH THE
30 MUNICIPALITY IS LOCATED AND IN WHATEVER OTHER MEDIUM OF PUBLICATION AS
31 THE MUNICIPALITY MAY DETERMINE. THE BONDS MAY BE EXCHANGED ALSO FOR
32 OTHER BONDS ON THE BASIS OF PAR. HOWEVER, THE BONDS MAY NOT BE SOLD TO
33 THE FEDERAL GOVERNMENT AT PRIVATE SALE AT LESS THAN PAR, AND, IN THE
34 EVENT LESS THAN ALL OF THE AUTHORIZED PRINCIPAL AMOUNT OF THE BONDS IS
35 SOLD TO THE FEDERAL GOVERNMENT, THE BALANCE MAY NOT BE SOLD AT PRIVATE
36 SALE AT LESS THAN PAR AT AN INTEREST COST TO THE MUNICIPALITY WHICH DOES

1 NOT EXCEED THE INTEREST COST TO THE MUNICIPALITY OF THE PORTION OF THE
2 BONDS SOLD TO THE FEDERAL GOVERNMENT.

3 (E) IN CASE ANY OF THE PUBLIC OFFICIALS OF THE MUNICIPALITY WHOSE
4 SIGNATURES APPEAR ON ANY BONDS OR COUPONS ISSUED UNDER THIS APPENDIX
5 CEASE TO BE OFFICIALS OF THE MUNICIPALITY BEFORE THE DELIVERY OF THE
6 BONDS OR, IN THE EVENT ANY OF THE OFFICIALS HAVE BECOME SUCH AFTER THE
7 DATE OF ISSUE OF THEM, THE BONDS ARE VALID AND BINDING OBLIGATIONS OF
8 THE MUNICIPALITY IN ACCORDANCE WITH THEIR TERMS. ANY PROVISION OF ANY
9 LAW TO THE CONTRARY NOTWITHSTANDING, ANY BONDS ISSUED PURSUANT TO
10 THIS APPENDIX ARE FULLY NEGOTIABLE.

11 (F) IN ANY SUIT, ACTION, OR PROCEEDING INVOLVING THE VALIDITY OR
12 ENFORCEABILITY OF ANY BOND ISSUED UNDER THIS APPENDIX, OR THE SECURITY
13 FOR IT, ANY BOND WHICH RECITES IN SUBSTANCE THAT IT HAS BEEN ISSUED BY THE
14 MUNICIPALITY IN CONNECTION WITH AN URBAN RENEWAL PROJECT SHALL BE
15 CONSIDERED CONCLUSIVELY TO HAVE BEEN ISSUED FOR THAT PURPOSE, AND THE
16 PROJECT SHALL BE CONSIDERED CONCLUSIVELY TO HAVE BEEN PLANNED,
17 LOCATED, AND CARRIED OUT IN ACCORDANCE WITH THE PROVISIONS OF THIS
18 APPENDIX.

19 (G) ALL BANKS, TRUST COMPANIES, BANKERS, SAVINGS BANKS, AND
20 INSTITUTIONS, BUILDING AND LOAN ASSOCIATIONS, SAVINGS AND LOAN
21 ASSOCIATIONS, INVESTMENT COMPANIES, AND OTHER PERSONS CARRYING ON A
22 BANKING OR INVESTMENT BUSINESS; ALL INSURANCE COMPANIES, INSURANCE
23 ASSOCIATIONS, AND OTHER PERSONS CARRYING ON AN INSURANCE BUSINESS; AND
24 ALL EXECUTORS, ADMINISTRATORS, CURATORS, TRUSTEES, AND OTHER
25 FIDUCIARIES, MAY LEGALLY INVEST ANY SINKING FUNDS, MONEYS, OR OTHER
26 FUNDS BELONGING TO THEM OR WITHIN THEIR CONTROL IN ANY BONDS OR OTHER
27 OBLIGATIONS ISSUED BY THE MUNICIPALITY PURSUANT TO THIS APPENDIX.
28 HOWEVER, THE BONDS AND OTHER OBLIGATIONS SHALL BE SECURED BY AN
29 AGREEMENT BETWEEN THE ISSUER AND THE FEDERAL GOVERNMENT IN WHICH
30 THE ISSUER AGREES TO BORROW FROM THE FEDERAL GOVERNMENT AND THE
31 FEDERAL GOVERNMENT AGREES TO LEND TO THE ISSUER, PRIOR TO THE MATURITY
32 OF THE BONDS OR OTHER OBLIGATIONS, MONEYS IN AN AMOUNT WHICH (TOGETHER
33 WITH ANY OTHER MONEYS COMMITTED IRREVOCABLY TO THE PAYMENT OF
34 PRINCIPAL AND INTEREST ON THE BONDS OR OTHER OBLIGATIONS) WILL SUFFICE
35 TO PAY THE PRINCIPAL OF THE BONDS OR OTHER OBLIGATIONS WITH INTEREST TO
36 MATURITY ON THEM. THE MONEYS UNDER THE TERMS OF THE AGREEMENT SHALL
37 BE REQUIRED TO BE USED FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND
38 THE INTEREST ON THE BONDS OR OTHER OBLIGATIONS AT THEIR MATURITY. THE
39 BONDS AND OTHER OBLIGATIONS SHALL BE AUTHORIZED SECURITY FOR ALL
40 PUBLIC DEPOSITS. THIS SECTION AUTHORIZES ANY PERSONS OR PUBLIC OR PRIVATE
41 POLITICAL SUBDIVISIONS AND OFFICERS TO USE ANY FUNDS OWNED OR
42 CONTROLLED BY THEM FOR THE PURCHASE OF ANY BONDS OR OTHER
43 OBLIGATIONS. WITH REGARD TO LEGAL INVESTMENTS, THIS SECTION MAY NOT BE
44 CONSTRUED TO RELIEVE ANY PERSON OF ANY DUTY OF EXERCISING REASONABLE
45 CARE IN SELECTING SECURITIES.

1 A1-113. SHORT TITLE.

2 THIS APPENDIX SHALL BE KNOWN AND MAY BE CITED AS THE PRESTON URBAN
3 RENEWAL AUTHORITY FOR SLUM CLEARANCE ACT.

4 A1-114. AUTHORITY TO AMEND OR REPEAL.

5 THIS APPENDIX, ENACTED PURSUANT TO ARTICLE III, SECTION 61 OF THE
6 CONSTITUTION OF MARYLAND, MAY BE AMENDED OR REPEALED ONLY BY THE
7 GENERAL ASSEMBLY OF MARYLAND.

8 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
9 October 1, 2002.