

SENATE BILL 753

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B2

2002 Regular Session
2lr2634
CF 2lr1115

By: **Senator Sfikas**

Introduced and read first time: February 1, 2002

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Baltimore City - Everyman Theatre**

3 FOR the purpose of authorizing the creation of a State Debt in the amount of
4 \$750,000, the proceeds to be used as a grant to the Board of Directors of
5 Everyman Theatre, Inc. for certain development or improvement purposes;
6 providing for disbursement of the loan proceeds, subject to a requirement that
7 the grantee provide and expend a matching fund in the amount of \$550,000;
8 requiring the grantee to grant and convey a certain easement to the Maryland
9 Historical Trust; 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 - Everyman Theatre Loan of 2002 in the total principal amount of \$750,000. This
16 loan shall be evidenced by the issuance, sale, and delivery of State general obligation
17 bonds authorized by a resolution of the Board of Public Works and issued, sold, and
18 delivered in accordance with §§ 8-117 through 8-124 of the State Finance and
19 Procurement Article and Article 31, § 22 of the Code.

20 (2) The bonds to evidence this loan or installments of this loan may be sold as
21 a single issue or may be consolidated and sold as part of a single issue of bonds under
22 § 8-122 of the State Finance and Procurement Article.

23 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
24 and first shall be applied to the payment of the expenses of issuing, selling, and
25 delivering the bonds, unless funds for this purpose are otherwise provided, and then
26 shall be credited on the books of the Comptroller and expended, on approval by the
27 Board of Public Works, for the following public purposes, including any applicable
28 architects' and engineers' fees: as a grant to the Board of Directors of Everyman
29 Theatre, Inc. (referred to hereafter in this Act as "the grantee") for the acquisition of
30 [3] three buildings located at 1400 Eastern Avenue and 415-419 South Eden Street
31 in Baltimore for development as a theatre and as resident artist housing.

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 \$550,000. 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, 2004, 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
31 effect June 1, 2002.