

SENATE BILL 753

Unofficial Copy
B2

2003 Regular Session
3lr2158
CF 3lr2003

By: **Senators Colburn and Stoltzfus**
Introduced and read first time: March 3, 2003
Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Wicomico County - Boulevard Theatre Performing**
3 **Arts Complex**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$500,000,
5 the proceeds to be used as a grant to the Board of Directors of the Salisbury
6 Wicomico Arts Council 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 a certain easement to the Maryland Historical Trust; and providing generally for
10 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 Wicomico
15 County - Boulevard Theatre Performing Arts Complex Loan of 2003 in a total
16 principal amount equal to the lesser of (i) \$500,000 or (ii) the amount of the matching
17 fund provided in accordance with Section 1(5) below. This loan shall be evidenced by
18 the issuance, sale, and delivery of State general obligation bonds authorized by a
19 resolution of the Board of Public Works and issued, sold, and delivered in accordance
20 with §§ 8-117 through 8-124 of the State Finance and Procurement Article and
21 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 Directors of the Salisbury
31 Wicomico Arts Council (referred to hereafter in this Act as "the grantee") for the
32 design, construction, renovation, reconstruction, and capital equipping of the

1 Boulevard Theatre to be converted into a performing arts complex, located in
2 Salisbury.

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

7 (5) Prior to the payment of any funds under the provisions of this Act for the
8 purposes set forth in Section 1(3) above, the grantee shall provide and expend a
9 matching fund. No part of the grantee's matching fund may be provided, either
10 directly or indirectly, from funds of the State, whether appropriated or
11 unappropriated. No part of the fund may consist of funds expended prior to the
12 effective date of this Act. The fund may consist of real property and in kind
13 contributions. In case of any dispute as to the amount of the matching fund or what
14 money or assets may qualify as matching funds, the Board of Public Works shall
15 determine the matter and the Board's decision is final. The grantee has until June 1,
16 2005, to present evidence satisfactory to the Board of Public Works that a matching
17 fund will be provided. If satisfactory evidence is presented, the Board shall certify this
18 fact and the amount of the matching fund to the State Treasurer, and the proceeds of
19 the loan equal to the amount of the matching fund shall be expended for the purposes
20 provided in this Act. Any amount of the loan in excess of the amount of the matching
21 fund certified by the Board of Public Works shall be canceled and be of no further
22 effect.

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

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

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

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

32 (c) The easement must be in form and substance acceptable to the Trust
33 and any liens or encumbrances against the land or the structures must be acceptable
34 to the Trust.

35 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
36 June 1, 2003.