Unofficial Copy B2 2004 Regular Session 4lr1399 CF 4lr2286

By: Delegates James, C. Davis, Hammen, Harrison, Krysiak, McHale, McIntosh, and Paige

Introduced and read first time: February 4, 2004

Assigned to: Appropriations

## A BILL ENTITLED

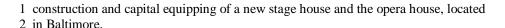
## 1 AN ACT concerning

## 2 Creation of a State Debt - Baltimore City - Lyric Opera House

- 3 FOR the purpose of authorizing the creation of a State Debt not to exceed \$1,000,000,
- 4 the proceeds to be used as a grant to the Board of Trustees of the Lyric
- 5 Foundation, Inc. for certain development or improvement purposes; providing
- 6 for disbursement of the loan proceeds, subject to a requirement that the grantee
- 7 provide and expend a matching fund; requiring the grantee to grant a certain
- 8 easement to the Maryland Historical Trust; establishing a deadline for the
- 9 encumbrance or expenditure of the loan proceeds; and providing generally for
- 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 Baltimore
- 15 City Lyric Opera House Loan of 2004 in a total principal amount equal to the lesser
- 16 of (i) \$1,000,000 or (ii) the amount of the matching fund provided in accordance with
- 17 Section 1(5) below. 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 Trustees of the Lyric
- 30 Foundation, Inc. (referred to hereafter in this Act as "the grantee") for the



- 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 real property, in kind
- 12 contributions, or funds expended prior to the effective date of this Act. In case of any
- 13 dispute as to the amount of the matching fund or what money or assets may qualify
- 14 as matching funds, the Board of Public Works shall determine the matter and the
- 15 Board's decision is final. The grantee has until June 1, 2006, to present evidence
- 16 satisfactory to the Board of Public Works that a matching fund will be provided. If
- 17 satisfactory evidence is presented, the Board shall certify this fact and the amount of
- 18 the matching fund to the State Treasurer, and the proceeds of the loan equal to the
- 19 amount of the matching fund shall be expended for the purposes provided in this Act.
- 20 Any amount of the loan in excess of the amount of the matching fund certified by the
- 21 Board of Public Works shall be canceled and be of no further effect.
- 22 (6) (a) Prior to the issuance of the bonds, the grantee shall grant and convey
- 23 to the Maryland Historical Trust a perpetual preservation easement to the extent of
- 24 its interest:
- 25 (i) On the land or such portion of the land acceptable to the Trust;
- 26 and
- 27 (ii) On the exterior and interior, where appropriate, of the historic
- 28 structures.
- 29 (b) If the grantee or beneficiary of the grant holds a lease on the land
- 30 and structures, the Trust may accept an easement on the leasehold interest.
- 31 (c) The easement must be in form and substance acceptable to the Trust
- 32 and any liens or encumbrances against the land or the structures must be acceptable
- 33 to the Trust.
- 34 (7) The proceeds of the loan must be expended or encumbered by the
- 35 Board of Public Works for the purposes provided in this Act no later than June 1,
- 36 2011. If any funds authorized by this Act remain unexpended or unencumbered after
- 37 June 1, 2011, the amount of the unencumbered or unexpended authorization shall be
- 38 canceled and be of no further effect. If bonds have been issued for the loan, the
- 39 amount of unexpended or unencumbered bond proceeds shall be disposed of as
- 40 provided in § 8-129 of the State Finance and Procurement Article.

- SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect 2 June 1, 2004.