
By: **Delegates Sossi and Smigiel**
 Introduced and read first time: January 26, 2006
 Assigned to: Environmental Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Town of Sudlersville (Queen Anne's County) - Urban Renewal Authority for**
 3 **Slum Clearance - Repeal**

4 FOR the purpose of repealing certain provisions that authorize the Town of
 5 Sudlersville, Queen Anne's County, to undertake and carry out certain urban
 6 renewal projects for slum clearance and redevelopment; repealing certain
 7 provisions that prohibit certain land or property from being taken for certain
 8 purposes without just compensation being first paid to the party entitled to the
 9 compensation; repealing a provision that declares that certain land or property
 10 taken in connection with certain urban renewal powers is needed for public uses
 11 or purposes; repealing certain provisions that authorize the legislative body of
 12 the Town of Sudlersville by ordinance to elect to have certain urban renewal
 13 powers exercised by a certain public body; repealing certain provisions that
 14 impose certain requirements for the initiation and approval of an urban renewal
 15 area; repealing certain provisions that provide for the disposal of property in an
 16 urban renewal area; repealing certain provisions that authorize the municipal
 17 corporation to issue certain bonds under certain circumstances; repealing a
 18 provision that clarifies that a certain appendix may be amended or repealed
 19 only by the General Assembly of Maryland; repealing certain definitions; and
 20 generally relating to the repeal of the urban renewal authority for slum
 21 clearance for the Town of Sudlersville in Queen Anne's County.

22 BY repealing
 23 Chapter 137 - Charter of the Town of Sudlersville
 24 Section A1-101 through A1-114, inclusive, and the heading "Appendix I -
 25 Urban Renewal Authority for Slum Clearance"
 26 Public Local Laws of Maryland - Compilation of Municipal Charters
 27 (1990 Replacement Edition and 2005 Supplement)
 28 (As enacted by Chapter 400 of the Acts of the General Assembly of 2004)

29 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
 30 MARYLAND, That the Laws of Maryland read as follows:

1 **Chapter 137 - Charter of the Town of Sudlersville**

2 [Appendix I - Urban Renewal Authority for Slum Clearance]

3 [A1-101. Definitions.

4 (a) In this appendix the following words have the meanings indicated.

5 (b) "Blighted area" means an area or single property in which the building or
6 buildings have declined in productivity by reason of obsolescence, depreciation, or
7 other causes to an extent they no longer justify fundamental repairs and adequate
8 maintenance.9 (c) "Bonds" means any bonds (including refunding bonds), notes, interim
10 certificates, certificates of indebtedness, debentures, or other obligations.11 (d) "Federal government" means the United States of America or any agency
12 or instrumentality, corporate or otherwise, of the United States of America.

13 (e) "Municipality" means the town of Sudlersville, Maryland.

14 (f) "Person" means any individual, firm, partnership, corporation, company,
15 association, joint stock association, or body politic. It includes any trustee, receiver,
16 assignee, or other person acting in similar representative capacity.17 (g) "Slum area" means any area or single property where dwellings
18 predominate which, by reason of depreciation, overcrowding, faulty arrangement or
19 design, lack of ventilation, light, or sanitary facilities, or any combination of these
20 factors, are detrimental to the public safety, health, or morals.21 (h) "Urban renewal area" means a slum area or a blighted area or a
22 combination of them which the municipality designates as appropriate for an urban
23 renewal project.24 (i) "Urban renewal plan" means a plan, as it exists from time to time, for an
25 urban renewal project. The plan shall be sufficiently complete to indicate any land
26 acquisition, demolition, and removal of structures, redevelopment, improvements,
27 and rehabilitation as may be proposed to be carried out in the urban renewal area,
28 zoning and planning changes, if any, land uses, maximum density, and building
29 requirements.30 (j) "Urban renewal project" means undertakings and activities of a
31 municipality in an urban renewal area for the elimination and for the prevention of
32 the development or spread of slums and blight, and may involve slum clearance and
33 redevelopment in an urban renewal area, or rehabilitation or conservation in an
34 urban renewal area, or any combination or part of them in accordance with an urban
35 renewal plan. These undertakings and activities may include:

36 (1) Acquisition of a slum area or a blighted area or portion of them;

- 1 (2) Demolition and removal of buildings and improvements;
- 2 (3) Installation, construction or reconstruction of streets, utilities, parks,
3 playgrounds, and other improvements necessary for carrying out the urban renewal
4 objectives of this appendix in accordance with the urban renewal plan;
- 5 (4) Disposition of any property acquired in the urban renewal area,
6 including sale, initial leasing, or retention by the municipality itself, at its fair value
7 for uses in accordance with the urban renewal plan;
- 8 (5) Carrying out plans for a program of voluntary or compulsory repair
9 and rehabilitation of buildings or other improvements in accordance with the urban
10 renewal plan;
- 11 (6) Acquisition of any other real property in the urban renewal area
12 where necessary to eliminate unhealthful, unsanitary, or unsafe conditions, lessen
13 density, eliminate obsolete or other uses detrimental to the public welfare, or
14 otherwise to remove or prevent the spread of blight or deterioration, or to provide
15 land for needed public facilities; and
- 16 (7) The preservation, improvement, or embellishment of historic
17 structures or monuments.]

18 [A1-102. Powers.

- 19 (a) The municipality may undertake and carry out urban renewal projects.
- 20 (b) These projects shall be limited:
- 21 (1) To slum clearance in slum or blighted areas and redevelopment or the
22 rehabilitation of slum or blighted areas;
- 23 (2) To acquire in connection with those projects, within the corporate
24 limits of the municipality, land and property of every kind and any right, interest,
25 franchise, easement, or privilege, including land or property and any right or interest
26 already devoted to public use, by purchase, lease, gift, condemnation, or any other
27 legal means; and
- 28 (3) To sell, lease, convey, transfer, or otherwise dispose of any of the land
29 or property, regardless of whether or not it has been developed, redeveloped, altered,
30 or improved and irrespective of the manner or means in or by which it may have been
31 acquired, to any private, public, or quasi-public corporation, partnership, association,
32 person, or other legal entity.
- 33 (c) Land or property taken by the municipality for any of these purposes or in
34 connection with the exercise of any of the powers which are granted by this appendix
35 to the municipality by exercising the power of eminent domain may not be taken
36 without just compensation, as agreed upon between the parties, or awarded by a jury,
37 being first paid or tendered to the party entitled to the compensation.

1 (d) All land or property needed or taken by the exercise of the power of
2 eminent domain by the municipality for any of these purposes or in connection with
3 the exercise of any of the powers granted by this appendix is declared to be needed or
4 taken for public uses and purposes.

5 (e) Any or all of the activities authorized pursuant to this appendix constitute
6 governmental functions undertaken for public uses and purposes and the power of
7 taxation may be exercised, public funds expended, and public credit extended in
8 furtherance of them.]

9 [A1-103. Additional powers.

10 The municipality has the following additional powers. These powers are
11 declared to be necessary and proper to carry into full force and effect the specific
12 powers granted in this appendix and to fully accomplish the purposes and objects
13 contemplated by the provisions of this section:

14 (1) To make or have made all surveys and plans necessary to the
15 carrying out of the purposes of this appendix and to adopt or approve, modify, and
16 amend those plans. These plans may include, but are not limited to:

17 (i) Plans for carrying out a program of voluntary or compulsory
18 repair and rehabilitation of buildings and improvements;

19 (ii) Plans for the enforcement of codes and regulations relating to
20 the use of land and the use and occupancy of buildings and improvements and to the
21 compulsory repair, rehabilitation, demolition, or removal of buildings and
22 improvements; and

23 (iii) Appraisals, title searches, surveys, studies, and other plans and
24 work necessary to prepare for the undertaking of urban renewal projects and related
25 activities; and to apply for, accept, and utilize grants of funds from the federal
26 government or other governmental entity for those purposes;

27 (2) To prepare plans for the relocation of persons (including families,
28 business concerns, and others) displaced from an urban renewal area, and to make
29 relocation payments to or with respect to those persons for moving expenses and
30 losses of property for which reimbursement or compensation is not otherwise made,
31 including the making of payments financed by the federal government;

32 (3) To appropriate whatever funds and make whatever expenditures as
33 may be necessary to carry out the purposes of this appendix, including, but not
34 limited:

35 (i) To the payment of any and all costs and expenses incurred in
36 connection with, or incidental to, the acquisition of land or property, and for the
37 demolition, removal, relocation, renovation, or alteration of land, buildings, streets,
38 highways, alleys, utilities, or services, and other structures or improvements, and for
39 the construction, reconstruction, installation, relocation, or repair of streets,
40 highways, alleys, utilities, or services, in connection with urban renewal projects;

- 1 (ii) To levy taxes and assessments for those purposes;
- 2 (iii) To borrow money and to apply for and accept advances, loans,
3 grants, contributions, and any other form of financial assistance from the federal
4 government, the state, county, or other public bodies, or from any sources, public or
5 private, for the purposes of this appendix, and to give whatever security as may be
6 required for this financial assistance; and
- 7 (iv) To invest any urban renewal funds held in reserves or sinking
8 funds or any of these funds not required for immediate disbursement in property or
9 securities which are legal investments for other municipal funds;
- 10 (4) (i) To hold, improve, clear, or prepare for redevelopment any
11 property acquired in connection with urban renewal projects;
- 12 (ii) To mortgage, pledge, hypothecate, or otherwise encumber that
13 property; and
- 14 (iii) To insure or provide for the insurance of the property or
15 operations of the municipality against any risks or hazards, including the power to
16 pay premiums on any insurance;
- 17 (5) To make and execute all contracts and other instruments necessary
18 or convenient to the exercise of its powers under this appendix, including the power to
19 enter into agreements with other public bodies or agencies (these agreements may
20 extend over any period, notwithstanding any provision or rule of law to the contrary),
21 and to include in any contract for financial assistance with the federal government for
22 or with respect to an urban renewal project and related activities any conditions
23 imposed pursuant to federal laws as the municipality considers reasonable and
24 appropriate;
- 25 (6) To enter into any building or property in any urban renewal area in
26 order to make inspections, surveys, appraisals, soundings, or test borings, and to
27 obtain an order for this purpose from the circuit court for the county in which the
28 municipality is situated in the event entry is denied or resisted;
- 29 (7) To plan, replan, install, construct, reconstruct, repair, close, or vacate
30 streets, roads, sidewalks, public utilities, parks, playgrounds, and other public
31 improvements in connection with an urban renewal project; and to make exceptions
32 from building regulations;
- 33 (8) To generally organize, coordinate, and direct the administration of
34 the provisions of this appendix as they apply to the municipality in order that the
35 objective of remedying slum and blighted areas and preventing its causes within the
36 municipality may be promoted and achieved most effectively; and
- 37 (9) To exercise all or any part or combination of the powers granted in
38 this appendix.]

39 [A1-104. Establishment of Urban Renewal Agency.

1 (a) A municipality may itself exercise all the powers granted by this appendix,
2 or may, if its legislative body by ordinance determines the action to be in the public
3 interest, elect to have the powers exercised by a separate public body or agency.

4 (b) In the event the legislative body makes that determination, it shall
5 proceed by ordinance to establish a public body or agency to undertake in the
6 municipality the activities authorized by this appendix.

7 (c) The ordinance shall include provisions establishing the number of
8 members of the public body or agency, the manner of their appointment and removal,
9 and the terms of the members and their compensation.

10 (d) The ordinance may include whatever additional provisions relating to the
11 organization of the public body or agency as may be necessary.

12 (e) In the event the legislative body enacts this ordinance, all of the powers by
13 this appendix granted to the municipality, from the effective date of the ordinance,
14 are vested in the public body or agency established by the ordinance.]

15 [A1-105. Powers withheld from the agency.

16 The agency may not:

17 (1) Pass a resolution to initiate an urban renewal project pursuant to
18 sections A1-102 and A1-103 of this appendix;

19 (2) Issue general obligation bonds pursuant to section A1-111 of this
20 appendix; or

21 (3) Appropriate funds or levy taxes and assessments pursuant to section
22 A1-103(3) of this appendix.]

23 [A1-106. Initiation of project.

24 In order to initiate an urban renewal project, the legislative body of the
25 municipality shall adopt a resolution which:

26 (1) Finds that one or more slum or blighted areas exist in the
27 municipality;

28 (2) Locates and defines the slum or blighted area; and

29 (3) Finds that the rehabilitation, redevelopment, or a combination of
30 them, of the area or areas, is necessary and in the interest of the public health, safety,
31 morals, or welfare of the residents of the municipality.]

32 [A1-107. Preparation and approval of plan for urban renewal project.

33 (a) In order to carry out the purposes of this appendix, the municipality shall
34 have prepared an urban renewal plan for slum or blighted areas in the municipality,
35 and shall approve the plan formally. The municipality shall hold a public hearing on

1 an urban renewal project after public notice of it by publication in a newspaper
2 having a general circulation within the corporate limits of the municipality. The
3 notice shall describe the time, date, place, and purpose of the hearing, shall generally
4 identify the urban renewal area covered by the plan, and shall outline the general
5 scope of the urban renewal project under consideration. Following the hearing, the
6 municipality may approve an urban renewal project and the plan therefor if it finds
7 that:

8 (1) A feasible method exists for the location of any families or natural
9 persons who will be displaced from the urban renewal area in decent, safe, and
10 sanitary dwelling accommodations within their means and without undue hardship
11 to the families or natural persons;

12 (2) The urban renewal plan conforms substantially to the master plan of
13 the municipality as a whole; and

14 (3) The urban renewal plan will afford maximum opportunity, consistent
15 with the sound needs of the municipality as a whole, for the rehabilitation or
16 redevelopment of the urban renewal area by private enterprise.

17 (b) An urban renewal plan may be modified at any time. If modified after the
18 lease or sale of real property in the urban renewal project area, the modification may
19 be conditioned upon whatever approval of the owner, lessee, or successor in interest
20 as the municipality considers advisable. In any event, it shall be subject to whatever
21 rights at law or in equity as a lessee or purchaser, or his successor or successors in
22 interest, may be entitled to assert. Where the proposed modification will change
23 substantially the urban renewal plan as approved previously by the municipality, the
24 modification shall be approved formally by the municipality, as in the case of an
25 original plan.

26 (c) Upon the approval by the municipality of an urban renewal plan or of any
27 modification of it, the plan or modification shall be considered to be in full force and
28 effect for the respective urban renewal area. The municipality may have the plan or
29 modification carried out in accordance with its terms.]

30 [A1-108. Disposal of property in urban renewal area.

31 (a) The municipality may sell, lease, or otherwise transfer real property or any
32 interest in it acquired by it for an urban renewal project to any person for residential,
33 recreational, commercial, industrial, educational, or other uses or for public use, or it
34 may retain the property or interest for public use, in accordance with the urban
35 renewal plan and subject to whatever covenants, conditions, and restrictions,
36 including covenants running with the land, as it considers necessary or desirable to
37 assist in preventing the development or spread of future slums or blighted areas or to
38 otherwise carry out the purposes of this appendix. The purchasers or lessees and their
39 successors and assigns shall be obligated to devote the real property only to the uses
40 specified in the urban renewal plan, and may be obligated to comply with whatever
41 other requirements the municipality determines to be in the public interest, including
42 the obligation to begin within a reasonable time any improvements on the real

1 property required by the urban renewal plan. The real property or interest may not be
2 sold, leased, otherwise transferred, or retained at less than its fair value for uses in
3 accordance with the urban renewal plan. In determining the fair value of real
4 property for uses in accordance with the urban renewal plan, the municipality shall
5 take into account and give consideration to the uses provided in the plan, the
6 restrictions upon, and the covenants, conditions, and obligations assumed by the
7 purchaser or lessee or by the municipality retaining the property, and the objectives of
8 the plan for the prevention of the recurrence of slum or blighted areas. In any
9 instrument or conveyance to a private purchaser or lessee, the municipality may
10 provide that the purchaser or lessee may not sell, lease, or otherwise transfer the real
11 property without the prior written consent of the municipality until he has completed
12 the construction of any or all improvements which he has obligated himself to
13 construct on the property. Real property acquired by the municipality which, in
14 accordance with the provisions of the urban renewal plan, is to be transferred, shall
15 be transferred as rapidly as feasible in the public interest consistent with the carrying
16 out of the provisions of the urban renewal plan. Any contract for the transfer and the
17 urban renewal plan (or any part or parts of the contract or plan as the municipality
18 determines) may be recorded in the land records of the county in which the
19 municipality is situated in a manner so as to afford actual or constructive notice of it.

20 (b) The municipality may dispose of real property in an urban renewal area to
21 private persons. The municipality may, by public notice by publication in a newspaper
22 having a general circulation in the community invite proposals from and make
23 available all pertinent information to private redevelopers or any persons interested
24 in undertaking to redevelop or rehabilitate an urban renewal area, or any part
25 thereof. The notice shall identify the area, or portion thereof, and shall state that
26 proposals shall be made by those interested within a specified period. The
27 municipality shall consider all redevelopment or rehabilitation proposals and the
28 financial and legal ability of the persons making proposals to carry them out, and
29 may negotiate with any persons for proposals for the purchase, lease, or other
30 transfer of any real property acquired by the municipality in the urban renewal area.
31 The municipality may accept any proposal as it deems to be in the public interest and
32 in furtherance of the purposes of this subheading. Thereafter, the municipality may
33 execute and deliver contracts, deeds, leases, and other instruments and take all steps
34 necessary to effectuate the transfers.

35 (c) The municipality may operate temporarily and maintain real property
36 acquired by it in an urban renewal area for or in connection with an urban renewal
37 project pending the disposition of the property as authorized in this appendix, without
38 regard to the provisions of subsection (a), for uses and purposes considered desirable
39 even though not in conformity with the urban renewal plan.

40 (d) Any instrument executed by the municipality and purporting to convey
41 any right, title, or interest in any property under this appendix shall be presumed
42 conclusively to have been executed in compliance with the provisions of this appendix
43 insofar as title or other interest of any bona fide purchasers, lessees, or transferees of
44 the property is concerned.]

45 [A1-109. Eminent domain.

1 Condemnation of land or property under the provisions of this appendix shall be
2 in accordance with the procedure provided in the real property article of the
3 Annotated Code of Maryland.]

4 [A1-110. Encouragement of private enterprise.

5 The municipality, to the extent it determines to be feasible in carrying out the
6 provisions of this appendix, shall afford maximum opportunity to the rehabilitation or
7 redevelopment of any urban renewal area by private enterprise consistent with the
8 sound needs of the municipality as a whole. The municipality shall give consideration
9 to this objective in exercising its powers under this appendix.]

10 [A1-111. General obligation bonds.

11 For the purpose of financing and carrying out of an urban renewal project and
12 related activities, the municipality may issue and sell its general obligation bonds.
13 Any bonds issued by the municipality pursuant to this section shall be issued in the
14 manner and within the limitations prescribed by applicable law for the issuance and
15 authorization of general obligation bonds by the municipality, and also within
16 limitations determined by the municipality.]

17 [A1-112. Revenue bonds.

18 (a) In addition to the authority conferred by section A1-111 of this appendix,
19 the municipality may issue revenue bonds to finance the undertaking of any urban
20 renewal project and related activities. Also, it may issue refunding bonds for the
21 payment or retirement of the bonds issued previously by it. The bonds shall be made
22 payable, as to both principal and interest, solely from the income, proceeds, revenues,
23 and funds of the municipality derived from or held in connection with the
24 undertaking and carrying out of urban renewal projects under this appendix.
25 However, payment of the bonds, both as to principal and interest, may be further
26 secured by a pledge of any loan, grant, or contribution from the federal government or
27 other source, in aid of any urban renewal projects of the municipality under this
28 appendix, and by a mortgage of any urban renewal project, or any part of a project,
29 title to which is in the municipality. In addition, the municipality may enter into an
30 indenture of trust with any private banking institution of this state having trust
31 powers and may make in the indenture of trust covenants and commitments required
32 by any purchaser for the adequate security of the bonds.

33 (b) Bonds issued under this section do not constitute an indebtedness within
34 the meaning of any constitutional or statutory debt limitation or restriction, are not
35 subject to the provisions of any other law or charter relating to the authorization,
36 issuance, or sale of bonds, and are exempted specifically from the restrictions
37 contained in sections 9, 10, and 11 of Article 31 (Debt - Public) of the Annotated Code
38 of Maryland. Bonds issued under the provisions of this appendix are declared to be
39 issued for an essential public and governmental purpose and, together with interest
40 on them and income from them, are exempt from all taxes.

1 (c) Bonds issued under this section shall be authorized by resolution or
2 ordinance of the legislative body of the municipality. They may be issued in one or
3 more series and:

- 4 (1) Shall bear a date or dates;
- 5 (2) Mature at a time or times;
- 6 (3) Bear interest at a rate or rates;
- 7 (4) Be in a denomination or denominations;
- 8 (5) Be in a form either with or without coupon or registered;
- 9 (6) Carry a conversion or registration privilege;
- 10 (7) Have a rank or priority;
- 11 (8) Be executed in a manner;
- 12 (9) Be payable in a medium or payment, at a place or places, and be
13 subject to terms of redemption (with or without premium);
- 14 (10) Be secured in a manner; and
- 15 (11) Have other characteristics, as are provided by the resolution, trust
16 indenture, or mortgage issued pursuant to it.

17 (d) These bonds may not be sold at less than par value at public sales which
18 are held after notice is published prior to the sale in a newspaper having a general
19 circulation in the area in which the municipality is located and in whatever other
20 medium of publication as the municipality may determine. The bonds may be
21 exchanged also for other bonds on the basis of par. However, the bonds may not be
22 sold to the federal government at private sale at less than par, and, in the event less
23 than all of the authorized principal amount of the bonds is sold to the federal
24 government, the balance may not be sold at private sale at less than par at an interest
25 cost to the municipality which does not exceed the interest cost to the municipality of
26 the portion of the bonds sold to the federal government.

27 (e) In case any of the public officials of the municipality whose signatures
28 appear on any bonds or coupons issued under this appendix cease to be officials of the
29 municipality before the delivery of the bonds or, in the event any of the officials have
30 become such after the date of issue of them, the bonds are valid and binding
31 obligations of the municipality in accordance with their terms. Any provision of any
32 law to the contrary notwithstanding, any bonds issued pursuant to this appendix are
33 fully negotiable.

34 (f) In any suit, action, or proceeding involving the validity or enforceability of
35 any bond issued under this appendix, or the security for it, any bond which recites in
36 substance that it has been issued by the municipality in connection with an urban

1 renewal project shall be considered conclusively to have been issued for that purpose,
2 and the project shall be considered conclusively to have been planned, located, and
3 carried out in accordance with the provisions of this appendix.

4 (g) All banks, trust companies, bankers, savings banks, and institutions,
5 building and loan associations, savings and loan associations, investment companies,
6 and other persons carrying on a banking or investment business; all insurance
7 companies, insurance associations, and other persons carrying on an insurance
8 business; and all executors, administrators, curators, trustees, and other fiduciaries,
9 may legally invest any sinking funds, moneys, or other funds belonging to them or
10 within their control in any bonds or other obligations issued by the municipality
11 pursuant to this appendix. However, the bonds and other obligations shall be secured
12 by an agreement between the issuer and the federal government in which the issuer
13 agrees to borrow from the federal government and the federal government agrees to
14 lend to the issuer, prior to the maturity of the bonds or other obligations, moneys in
15 an amount which (together with any other moneys committed irrevocably to the
16 payment of principal and interest on the bonds or other obligations) will suffice to pay
17 the principal of the bonds or other obligations with interest to maturity on them. The
18 moneys under the terms of the agreement shall be required to be used for the purpose
19 of paying the principal of and the interest on the bonds or other obligations at their
20 maturity. The bonds and other obligations shall be authorized security for all public
21 deposits. This section authorizes any persons or public or private political
22 subdivisions and officers to use any funds owned or controlled by them for the
23 purchase of any bonds or other obligations. With regard to legal investments, this
24 section may not be construed to relieve any person of any duty of exercising
25 reasonable care in selecting securities.]

26 [A1-113. Short title.

27 This Appendix shall be known and may be cited as the Sudlersville Urban
28 Renewal Authority for Slum Clearance Act.]

29 [A1-114. Authority to amend or repeal.

30 This appendix, enacted pursuant to Article III, Section 61 of the Constitution of
31 Maryland, may be amended or repealed only by the General Assembly of Maryland.]

32 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
33 October 1, 2006.