
By: **Senators Hughes, Conway, Della, Gladden, Jones, and McFadden**

Introduced and read first time: February 3, 2006

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Baltimore City - Parks & People Headquarters at**
3 **Auchentoroly Terrace**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$1,500,000,
5 the proceeds to be used as a grant to the Board of Directors of Parks & People,
6 The Foundation for Baltimore Recreation & Parks, Inc. for certain development
7 or improvement purposes; providing for disbursement of the loan proceeds,
8 subject to a requirement that the grantee provide and expend a matching fund;
9 requiring the grantee to grant and convey a certain easement to the Maryland
10 Historical Trust; establishing a deadline for the encumbrance or expenditure of
11 the loan proceeds; and providing generally for the issuance and sale of bonds
12 evidencing the loan.

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
14 MARYLAND, That:

15 (1) The Board of Public Works may borrow money and incur indebtedness on
16 behalf of the State of Maryland through a State loan to be known as the Baltimore
17 City - Parks & People Headquarters at Auchentoroly Terrace Loan of 2006 in a total
18 principal amount equal to the lesser of (i) \$1,500,000 or (ii) the amount of the
19 matching fund provided in accordance with Section 1(5) below. This loan shall be
20 evidenced by the issuance, sale, and delivery of State general obligation bonds
21 authorized by a resolution of the Board of Public Works and issued, sold, and
22 delivered in accordance with §§ 8-117 through 8-124 of the State Finance and
23 Procurement Article and Article 31, § 22 of the Code.

24 (2) The bonds to evidence this loan or installments of this loan may be sold as
25 a single issue or may be consolidated and sold as part of a single issue of bonds under
26 § 8-122 of the State Finance and Procurement Article.

27 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
28 and first shall be applied to the payment of the expenses of issuing, selling, and
29 delivering the bonds, unless funds for this purpose are otherwise provided, and then
30 shall be credited on the books of the Comptroller and expended, on approval by the
31 Board of Public Works, for the following public purposes, including any applicable
32 architects' and engineers' fees: as a grant to the Board of Directors of Parks & People,

1 The Foundation for Baltimore Recreation & Parks, Inc. (referred to hereafter in this
2 Act as "the grantee") for the planning, design, construction, repair, renovation,
3 reconstruction, and capital equipping of a 9-acre triangular plot between
4 Auchentoroly Terrace, Reisterstown Road, and Liberty Heights Boulevard in Druid
5 Hill Park, including the restoration of the historic Superintendent's House and
6 construction of a new green building adjoining the Superintendent's House, located in
7 Baltimore City.

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

12 (5) Prior to the payment of any funds under the provisions of this Act for the
13 purposes set forth in Section 1(3) above, the grantee shall provide and expend a
14 matching fund. No part of the grantee's matching fund may be provided, either
15 directly or indirectly, from funds of the State, whether appropriated or
16 unappropriated. The fund may consist of real property, in kind contributions, or funds
17 expended prior to the effective date of this Act. In case of any dispute as to the amount
18 of the matching fund or what money or assets may qualify as matching funds, the
19 Board of Public Works shall determine the matter and the Board's decision is final.
20 The grantee has until June 1, 2008, to present evidence satisfactory to the Board of
21 Public Works that a matching fund will be provided. If satisfactory evidence is
22 presented, the Board shall certify this fact and the amount of the matching fund to
23 the State Treasurer, and the proceeds of the loan equal to the amount of the matching
24 fund shall be expended for the purposes provided in this Act. Any amount of the loan
25 in excess of the amount of the matching fund certified by the Board of Public Works
26 shall be canceled and be of no further effect.

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

30 (i) On the land or such portion of the land acceptable to the Trust;
31 and

32 (ii) On the exterior and interior, where appropriate, of the historic
33 structures.

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

36 (c) The easement must be in form and substance acceptable to the Trust
37 and any liens or encumbrances against the land or the structures must be acceptable
38 to the Trust.

39 (7) The proceeds of the loan must be expended or encumbered by the Board of
40 Public Works for the purposes provided in this Act no later than June 1, 2013. If any
41 funds authorized by this Act remain unexpended or unencumbered after June 1,
42 2013, the amount of the unencumbered or unexpended authorization shall be

1 canceled and be of no further effect. If bonds have been issued for the loan, the
2 amount of unexpended or unencumbered bond proceeds shall be disposed of as
3 provided in § 8-129 of the State Finance and Procurement Article.

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
5 June 1, 2006.