HOUSE BILL 1364

By: **Dorchester County Delegation (By Request)** Introduced and read first time: March 2, 2007 Assigned to: Rules and Executive Nominations Re-referred to: Environmental Matters, March 12, 2007

Committee Report: Favorable House action: Adopted Read second time: March 20, 2007

CHAPTER _____

1 AN ACT concerning

- Town of Hurlock (Dorchester County) Urban Renewal Authority for Slum
 Clearance
- FOR the purpose of authorizing the Town of Hurlock, Dorchester County, to undertake 4 5 and carry out certain urban renewal projects for slum clearance and 6 redevelopment; prohibiting certain land or property from being taken for certain 7 purposes without just compensation first being paid to the party entitled to the 8 compensation; declaring that certain land or property taken in connection with 9 certain urban renewal powers is needed for public uses or purposes; authorizing 10 the legislative body of the Town of Hurlock by ordinance to elect to have certain urban renewal powers exercised by a certain public body; imposing certain 11 requirements for the initiation and approval of an urban renewal area; 12 providing for the disposal of property in an urban renewal area; authorizing the 13 municipal corporation to issue certain bonds under certain circumstances; 14 15 clarifying that a certain appendix may be amended or repealed only by the 16 General Assembly of Maryland; defining certain terms; and generally relating 17 to urban renewal authority for slum clearance for the Town of Hurlock in 18 Dorchester County.
- 19 BY adding to

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law. <u>Underlining</u> indicates amendments to bill. <u>Strike out</u> indicates matter stricken from the bill by amendment or deleted from the law by amendment.



HOUSE BILL 1364

1 Chapter 77 – Charter of the Town of Hurlock 2 Section A1–101 through A1–114 and the heading "Appendix I – Urban Renewal Authority for Slum Clearance" 3 Public Local Laws of Maryland – Compilation of Municipal Charters 4 (1990 Replacement Edition and 2005 Supplement) 5 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF 6 MARYLAND, That the Laws of Maryland read as follows: 7 8 **Chapter 77 – Charter of the Town of Hurlock APPENDIX I – URBAN RENEWAL AUTHORITY FOR SLUM CLEARANCE** 9 A1-101. DEFINITIONS. 10 11 (A) IN THIS APPENDIX THE FOLLOWING WORDS HAVE THE MEANINGS 12 **INDICATED.** "BLIGHTED AREA" MEANS AN AREA OR SINGLE PROPERTY IN WHICH 13 **(B)** 14 THE BUILDING OR BUILDINGS HAVE DECLINED IN PRODUCTIVITY BY REASON OF 15 OBSOLESCENCE, DEPRECIATION, OR OTHER CAUSES TO AN EXTENT THEY NO 16 LONGER JUSTIFY FUNDAMENTAL REPAIRS AND ADEQUATE MAINTENANCE. 17 **(C)** "BONDS" MEANS ANY BONDS (INCLUDING REFUNDING BONDS), 18 INDEBTEDNESS. NOTES, INTERIM **CERTIFICATES,** CERTIFICATES OF 19 DEBENTURES, OR OTHER OBLIGATIONS. 20 **(D)** "FEDERAL GOVERNMENT" MEANS THE UNITED STATES OF AMERICA OR ANY AGENCY OR INSTRUMENTALITY, CORPORATE OR OTHERWISE, 21 OF THE UNITED STATES OF AMERICA. 22 "MUNICIPALITY" MEANS THE TOWN OF HURLOCK, MARYLAND. 23 **(E)** "PERSON" 24 **(F)** MEANS ANY INDIVIDUAL, FIRM, PARTNERSHIP, 25 CORPORATION, COMPANY, ASSOCIATION, JOINT STOCK ASSOCIATION, OR BODY POLITIC. IT INCLUDES ANY TRUSTEE, RECEIVER, ASSIGNEE, OR OTHER PERSON 26 ACTING IN SIMILAR REPRESENTATIVE CAPACITY. 27 28 (G) "SLUM AREA" MEANS ANY AREA OR SINGLE PROPERTY WHERE 29 PREDOMINATE **DWELLINGS** WHICH, BY REASON OF **DEPRECIATION,**

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OVERCROWDING, FAULTY ARRANGEMENT OR DESIGN, LACK OF VENTILATION,
 LIGHT, OR SANITARY FACILITIES, OR ANY COMBINATION OF THESE FACTORS,
 ARE DETRIMENTAL TO THE PUBLIC SAFETY, HEALTH, OR MORALS.

4 (H) "URBAN RENEWAL AREA" MEANS A SLUM AREA OR A BLIGHTED
5 AREA OR A COMBINATION OF THEM WHICH THE MUNICIPALITY DESIGNATES AS
6 APPROPRIATE FOR AN URBAN RENEWAL PROJECT.

(I) "URBAN RENEWAL PLAN" MEANS A PLAN, AS IT EXISTS FROM TIME
TO TIME, FOR AN URBAN RENEWAL PROJECT. THE PLAN SHALL BE
SUFFICIENTLY COMPLETE TO INDICATE ANY LAND ACQUISITION, DEMOLITION,
AND REMOVAL OF STRUCTURES, REDEVELOPMENT, IMPROVEMENTS, AND
REHABILITATION AS MAY BE PROPOSED TO BE CARRIED OUT IN THE URBAN
RENEWAL AREA, ZONING AND PLANNING CHANGES, IF ANY, LAND USES,
MAXIMUM DENSITY, AND BUILDING REQUIREMENTS.

14 "URBAN RENEWAL PROJECT" MEANS UNDERTAKINGS **(J)** AND ACTIVITIES OF A MUNICIPALITY IN AN URBAN RENEWAL AREA FOR THE 15 16 ELIMINATION AND FOR THE PREVENTION OF THE DEVELOPMENT OR SPREAD OF 17 BLIGHT, AND MAY INVOLVE SLUM SLUMS AND CLEARANCE AND 18 REDEVELOPMENT IN AN URBAN RENEWAL AREA, OR REHABILITATION OR 19 CONSERVATION IN AN URBAN RENEWAL AREA, OR ANY COMBINATION OR PART 20 OF THEM IN ACCORDANCE WITH AN URBAN RENEWAL PLAN. THESE **UNDERTAKINGS AND ACTIVITIES MAY INCLUDE:** 21

(1) ACQUISITION OF A SLUM AREA OR A BLIGHTED AREA OR
 PORTION OF THEM;

24(2) DEMOLITION AND REMOVAL OF BUILDINGS AND25IMPROVEMENTS;

(3) INSTALLATION, CONSTRUCTION OR RECONSTRUCTION OF
 STREETS, UTILITIES, PARKS, PLAYGROUNDS, AND OTHER IMPROVEMENTS
 NECESSARY FOR CARRYING OUT THE URBAN RENEWAL OBJECTIVES OF THIS
 APPENDIX IN ACCORDANCE WITH THE URBAN RENEWAL PLAN;

30(4)**DISPOSITION OF ANY PROPERTY ACQUIRED IN THE URBAN**31**RENEWAL AREA, INCLUDING SALE, INITIAL LEASING, OR RETENTION BY THE**

1 MUNICIPALITY ITSELF, AT ITS FAIR VALUE FOR USES IN ACCORDANCE WITH THE 2 URBAN RENEWAL PLAN;

3 (5) CARRYING OUT PLANS FOR A PROGRAM OF VOLUNTARY OR
4 COMPULSORY REPAIR AND REHABILITATION OF BUILDINGS OR OTHER
5 IMPROVEMENTS IN ACCORDANCE WITH THE URBAN RENEWAL PLAN;

6 (6) ACQUISITION OF ANY OTHER REAL PROPERTY IN THE URBAN 7 AREA WHERE NECESSARY ТО **ELIMINATE** RENEWAL UNHEALTHFUL. 8 UNSANITARY, OR UNSAFE CONDITIONS, LESSEN DENSITY, ELIMINATE OBSOLETE OR OTHER USES DETRIMENTAL TO THE PUBLIC WELFARE, OR OTHERWISE TO 9 10 REMOVE OR PREVENT THE SPREAD OF BLIGHT OR DETERIORATION, OR TO PROVIDE LAND FOR NEEDED PUBLIC FACILITIES; AND 11

- 12 (7) THE PRESERVATION, IMPROVEMENT, OR EMBELLISHMENT OF
 13 HISTORIC STRUCTURES OR MONUMENTS.
- 14 **A1–102. Powers.**

15(A) THE MUNICIPALITY MAY UNDERTAKE AND CARRY OUT URBAN16RENEWAL PROJECTS.

17 (B) THESE PROJECTS SHALL BE LIMITED:

18(1) TO SLUM CLEARANCE IN SLUM OR BLIGHTED AREAS AND19REDEVELOPMENT OR THE REHABILITATION OF SLUM OR BLIGHTED AREAS;

(2) TO ACQUIRE IN CONNECTION WITH THOSE PROJECTS, WITHIN
THE CORPORATE LIMITS OF THE MUNICIPALITY, LAND AND PROPERTY OF
EVERY KIND AND ANY RIGHT, INTEREST, FRANCHISE, EASEMENT, OR
PRIVILEGE, INCLUDING LAND OR PROPERTY AND ANY RIGHT OR INTEREST
ALREADY DEVOTED TO PUBLIC USE, BY PURCHASE, LEASE, GIFT,
CONDEMNATION, OR ANY OTHER LEGAL MEANS; AND

26 (3) TO SELL, LEASE, CONVEY, TRANSFER, OR OTHERWISE
27 DISPOSE OF ANY OF THE LAND OR PROPERTY, REGARDLESS OF WHETHER OR
28 NOT IT HAS BEEN DEVELOPED, REDEVELOPED, ALTERED, OR IMPROVED AND
29 IRRESPECTIVE OF THE MANNER OR MEANS IN OR BY WHICH IT MAY HAVE BEEN

ACQUIRED, TO ANY PRIVATE, PUBLIC, OR QUASI-PUBLIC CORPORATION,
 PARTNERSHIP, ASSOCIATION, PERSON, OR OTHER LEGAL ENTITY.

3 (C) LAND OR PROPERTY TAKEN BY THE MUNICIPALITY FOR ANY OF 4 THESE PURPOSES OR IN CONNECTION WITH THE EXERCISE OF ANY OF THE 5 POWERS WHICH ARE GRANTED BY THIS APPENDIX TO THE MUNICIPALITY BY 6 EXERCISING THE POWER OF EMINENT DOMAIN MAY NOT BE TAKEN WITHOUT 7 JUST COMPENSATION, AS AGREED ON BETWEEN THE PARTIES, OR AWARDED BY 8 A JURY, BEING FIRST PAID OR TENDERED TO THE PARTY ENTITLED TO THE 9 COMPENSATION.

10 (D) ALL LAND OR PROPERTY NEEDED OR TAKEN BY THE EXERCISE OF 11 THE POWER OF EMINENT DOMAIN BY THE MUNICIPALITY FOR ANY OF THESE 12 PURPOSES OR IN CONNECTION WITH THE EXERCISE OF ANY OF THE POWERS 13 GRANTED BY THIS APPENDIX IS DECLARED TO BE NEEDED OR TAKEN FOR 14 PUBLIC USES AND PURPOSES.

15 (E) ANY OR ALL OF THE ACTIVITIES AUTHORIZED PURSUANT TO THIS 16 APPENDIX CONSTITUTE GOVERNMENTAL FUNCTIONS UNDERTAKEN FOR PUBLIC 17 USES AND PURPOSES AND THE POWER OF TAXATION MAY BE EXERCISED, 18 PUBLIC FUNDS EXPENDED, AND PUBLIC CREDIT EXTENDED IN FURTHERANCE 19 OF THEM.

20 A1–103. ADDITIONAL POWERS.

THE MUNICIPALITY HAS THE FOLLOWING ADDITIONAL POWERS. THESE POWERS ARE DECLARED TO BE NECESSARY AND PROPER TO CARRY INTO FULL FORCE AND EFFECT THE SPECIFIC POWERS GRANTED IN THIS APPENDIX AND TO FULLY ACCOMPLISH THE PURPOSES AND OBJECTS CONTEMPLATED BY THE PROVISIONS OF THIS SECTION:

(1) TO MAKE OR HAVE MADE ALL SURVEYS AND PLANS
NECESSARY TO THE CARRYING OUT OF THE PURPOSES OF THIS APPENDIX AND
TO ADOPT OR APPROVE, MODIFY, AND AMEND THOSE PLANS. THESE PLANS MAY
INCLUDE, BUT ARE NOT LIMITED TO:

30(I)PLANS FOR CARRYING OUT A PROGRAM OF VOLUNTARY31OR COMPULSORY REPAIR AND REHABILITATION OF BUILDINGS AND32IMPROVEMENTS;

1 (II) PLANS FOR THE ENFORCEMENT OF CODES AND 2 **REGULATIONS RELATING TO THE USE OF LAND AND THE USE AND OCCUPANCY** 3 OF BUILDINGS AND IMPROVEMENTS AND TO THE COMPULSORY REPAIR. 4 **REHABILITATION,** DEMOLITION, OR REMOVAL OF BUILDINGS AND 5 **IMPROVEMENTS; AND**

6 (III) APPRAISALS, TITLE SEARCHES, SURVEYS, STUDIES, AND 7 OTHER PLANS AND WORK NECESSARY TO PREPARE FOR THE UNDERTAKING OF 8 URBAN RENEWAL PROJECTS AND RELATED ACTIVITIES; AND TO APPLY FOR, 9 ACCEPT, AND UTILIZE GRANTS OF FUNDS FROM THE FEDERAL GOVERNMENT OR 10 OTHER GOVERNMENTAL ENTITY FOR THOSE PURPOSES;

11 (2) TO PREPARE PLANS FOR THE RELOCATION OF PERSONS 12 (INCLUDING FAMILIES, BUSINESS CONCERNS, AND OTHERS) DISPLACED FROM 13 AN URBAN RENEWAL AREA, AND TO MAKE RELOCATION PAYMENTS TO OR WITH 14 RESPECT TO THOSE PERSONS FOR MOVING EXPENSES AND LOSSES OF 15 PROPERTY FOR WHICH REIMBURSEMENT OR COMPENSATION IS NOT 16 OTHERWISE MADE, INCLUDING THE MAKING OF PAYMENTS FINANCED BY THE 17 FEDERAL GOVERNMENT;

18 (3) TO APPROPRIATE WHATEVER FUNDS AND MAKE WHATEVER
 19 EXPENDITURES AS MAY BE NECESSARY TO CARRY OUT THE PURPOSES OF THIS
 20 APPENDIX, INCLUDING, BUT NOT LIMITED:

21 **(I)** TO THE PAYMENT OF ANY AND ALL COSTS AND 22 EXPENSES INCURRED IN CONNECTION WITH, OR INCIDENTAL TO, THE 23 ACQUISITION OF LAND OR PROPERTY, AND FOR THE DEMOLITION, REMOVAL, 24 RELOCATION, RENOVATION, OR ALTERATION OF LAND, BUILDINGS, STREETS, 25 HIGHWAYS, ALLEYS, UTILITIES, OR SERVICES, AND OTHER STRUCTURES OR 26 IMPROVEMENTS, AND FOR THE CONSTRUCTION, **RECONSTRUCTION**, INSTALLATION, RELOCATION, OR REPAIR OF STREETS, HIGHWAYS, ALLEYS, 27 UTILITIES, OR SERVICES, IN CONNECTION WITH URBAN RENEWAL PROJECTS; 28

29 30 (II) TO LEVY TAXES AND ASSESSMENTS FOR THOSE PURPOSES;

31(III) TO BORROW MONEY AND TO APPLY FOR AND ACCEPT32ADVANCES, LOANS, GRANTS, CONTRIBUTIONS, AND ANY OTHER FORM OF

FINANCIAL ASSISTANCE FROM THE FEDERAL GOVERNMENT, THE STATE,
 COUNTY, OR OTHER PUBLIC BODIES, OR FROM ANY SOURCES, PUBLIC OR
 PRIVATE, FOR THE PURPOSES OF THIS APPENDIX, AND TO GIVE WHATEVER
 SECURITY AS MAY BE REQUIRED FOR THIS FINANCIAL ASSISTANCE; AND

5 (IV) TO INVEST ANY URBAN RENEWAL FUNDS HELD IN 6 RESERVES OR SINKING FUNDS OR ANY OF THESE FUNDS NOT REQUIRED FOR 7 IMMEDIATE DISBURSEMENT IN PROPERTY OR SECURITIES WHICH ARE LEGAL 8 INVESTMENTS FOR OTHER MUNICIPAL FUNDS;

9 (4) (I) TO HOLD, IMPROVE, CLEAR, OR PREPARE FOR
 10 REDEVELOPMENT ANY PROPERTY ACQUIRED IN CONNECTION WITH URBAN
 11 RENEWAL PROJECTS;

12(II) TO MORTGAGE, PLEDGE, HYPOTHECATE, OR13OTHERWISE ENCUMBER THAT PROPERTY; AND

(III) TO INSURE OR PROVIDE FOR THE INSURANCE OF THE
 PROPERTY OR OPERATIONS OF THE MUNICIPALITY AGAINST ANY RISKS OR
 HAZARDS, INCLUDING THE POWER TO PAY PREMIUMS ON ANY INSURANCE;

17 (5) TO MAKE AND EXECUTE ALL CONTRACTS AND OTHER 18 **INSTRUMENTS NECESSARY OR CONVENIENT TO THE EXERCISE OF ITS POWERS** 19 UNDER THIS APPENDIX, INCLUDING THE POWER TO ENTER INTO AGREEMENTS 20 WITH OTHER PUBLIC BODIES OR AGENCIES (THESE AGREEMENTS MAY EXTEND 21 OVER ANY PERIOD, NOTWITHSTANDING ANY PROVISION OR RULE OF LAW TO THE CONTRARY), AND TO INCLUDE IN ANY CONTRACT FOR FINANCIAL 22 23 ASSISTANCE WITH THE FEDERAL GOVERNMENT FOR OR WITH RESPECT TO AN 24 URBAN RENEWAL PROJECT AND RELATED ACTIVITIES ANY CONDITIONS IMPOSED PURSUANT TO FEDERAL LAWS AS THE MUNICIPALITY CONSIDERS 25 26 **REASONABLE AND APPROPRIATE;**

(6) TO ENTER INTO ANY BUILDING OR PROPERTY IN ANY URBAN
RENEWAL AREA IN ORDER TO MAKE INSPECTIONS, SURVEYS, APPRAISALS,
SOUNDINGS, OR TEST BORINGS, AND TO OBTAIN AN ORDER FOR THIS PURPOSE
FROM THE CIRCUIT COURT FOR THE COUNTY IN WHICH THE MUNICIPALITY IS
SITUATED IN THE EVENT ENTRY IS DENIED OR RESISTED;

1 (7) TO PLAN, REPLAN, INSTALL, CONSTRUCT, RECONSTRUCT, 2 REPAIR, CLOSE, OR VACATE STREETS, ROADS, SIDEWALKS, PUBLIC UTILITIES, 3 PARKS, PLAYGROUNDS, AND OTHER PUBLIC IMPROVEMENTS IN CONNECTION 4 WITH AN URBAN RENEWAL PROJECT; AND TO MAKE EXCEPTIONS FROM 5 BUILDING REGULATIONS;

6 (8) TO GENERALLY ORGANIZE, COORDINATE, AND DIRECT THE 7 ADMINISTRATION OF THE PROVISIONS OF THIS APPENDIX AS THEY APPLY TO 8 THE MUNICIPALITY IN ORDER THAT THE OBJECTIVE OF REMEDYING SLUM AND 9 BLIGHTED AREAS AND PREVENTING ITS CAUSES WITHIN THE MUNICIPALITY 10 MAY BE PROMOTED AND ACHIEVED MOST EFFECTIVELY; AND

11 (9) TO EXERCISE ALL OR ANY PART OR COMBINATION OF THE 12 POWERS GRANTED IN THIS APPENDIX.

13 A1-104. ESTABLISHMENT OF URBAN RENEWAL AGENCY.

(A) A MUNICIPALITY MAY ITSELF EXERCISE ALL THE POWERS GRANTED
 BY THIS APPENDIX, OR MAY, IF ITS LEGISLATIVE BODY BY ORDINANCE
 DETERMINES THE ACTION TO BE IN THE PUBLIC INTEREST, ELECT TO HAVE THE
 POWERS EXERCISED BY A SEPARATE PUBLIC BODY OR AGENCY.

18(B) IN THE EVENT THE LEGISLATIVE BODY MAKES THAT19DETERMINATION, IT SHALL PROCEED BY ORDINANCE TO ESTABLISH A PUBLIC20BODY OR AGENCY TO UNDERTAKE IN THE MUNICIPALITY THE ACTIVITIES21AUTHORIZED BY THIS APPENDIX.

(C) THE ORDINANCE SHALL INCLUDE PROVISIONS ESTABLISHING THE
 NUMBER OF MEMBERS OF THE PUBLIC BODY OR AGENCY, THE MANNER OF
 THEIR APPOINTMENT AND REMOVAL, AND THE TERMS OF THE MEMBERS AND
 THEIR COMPENSATION.

26 (D) THE ORDINANCE MAY INCLUDE WHATEVER ADDITIONAL
27 PROVISIONS RELATING TO THE ORGANIZATION OF THE PUBLIC BODY OR
28 AGENCY AS MAY BE NECESSARY.

29(E)IN THE EVENT THE LEGISLATIVE BODY ENACTS THIS ORDINANCE,30ALL OF THE POWERS BY THIS APPENDIX GRANTED TO THE MUNICIPALITY, FROM

THE EFFECTIVE DATE OF THE ORDINANCE, ARE VESTED IN THE PUBLIC BODY
 OR AGENCY ESTABLISHED BY THE ORDINANCE.

- 3 A1-105. POWERS WITHHELD FROM THE AGENCY.
- 4 **THE AGENCY MAY NOT:**

5 (1) PASS A RESOLUTION TO INITIATE AN URBAN RENEWAL 6 PROJECT PURSUANT TO SECTIONS A1-102 AND A1-103 OF THIS APPENDIX;

7 (2) ISSUE GENERAL OBLIGATION BONDS PURSUANT TO SECTION
 8 A1-111 OF THIS APPENDIX; OR

9 (3) APPROPRIATE FUNDS OR LEVY TAXES AND ASSESSMENTS 10 PURSUANT TO SECTION A1-103(3) OF THIS APPENDIX.

11 A1-106. INITIATION OF PROJECT.

12 **IN ORDER TO INITIATE AN URBAN RENEWAL PROJECT, THE LEGISLATIVE** 13 **BODY OF THE MUNICIPALITY SHALL ADOPT A RESOLUTION WHICH:**

14 (1) FINDS THAT ONE OR MORE SLUM OR BLIGHTED AREAS EXIST
 15 IN THE MUNICIPALITY;

- 16
- (2) LOCATES AND DEFINES THE SLUM OR BLIGHTED AREA; AND

17 (3) FINDS THAT THE REHABILITATION, REDEVELOPMENT, OR A 18 COMBINATION OF THEM, OF THE AREA OR AREAS, IS NECESSARY AND IN THE 19 INTEREST OF THE PUBLIC HEALTH, SAFETY, MORALS, OR WELFARE OF THE 20 RESIDENTS OF THE MUNICIPALITY.

A1-107. PREPARATION AND APPROVAL OF PLAN FOR URBAN RENEWAL
 PROJECT.

(A) IN ORDER TO CARRY OUT THE PURPOSES OF THIS APPENDIX, THE
MUNICIPALITY SHALL HAVE PREPARED AN URBAN RENEWAL PLAN FOR SLUM
OR BLIGHTED AREAS IN THE MUNICIPALITY, AND SHALL APPROVE THE PLAN
FORMALLY. THE MUNICIPALITY SHALL HOLD A PUBLIC HEARING ON AN URBAN
RENEWAL PROJECT AFTER PUBLIC NOTICE OF IT BY PUBLICATION IN A

NEWSPAPER HAVING A GENERAL CIRCULATION WITHIN THE CORPORATE LIMITS
 OF THE MUNICIPALITY. THE NOTICE SHALL DESCRIBE THE TIME, DATE, PLACE,
 AND PURPOSE OF THE HEARING, SHALL GENERALLY IDENTIFY THE URBAN
 RENEWAL AREA COVERED BY THE PLAN, AND SHALL OUTLINE THE GENERAL
 SCOPE OF THE URBAN RENEWAL PROJECT UNDER CONSIDERATION.
 FOLLOWING THE HEARING, THE MUNICIPALITY MAY APPROVE AN URBAN
 RENEWAL PROJECT AND THE PLAN THEREFOR IF IT FINDS THAT:

8 (1) A FEASIBLE METHOD EXISTS FOR THE LOCATION OF ANY 9 FAMILIES OR NATURAL PERSONS WHO WILL BE DISPLACED FROM THE URBAN 10 RENEWAL AREA IN DECENT, SAFE, AND SANITARY DWELLING ACCOMMODATIONS 11 WITHIN THEIR MEANS AND WITHOUT UNDUE HARDSHIP TO THE FAMILIES OR 12 NATURAL PERSONS;

13 (2) THE URBAN RENEWAL PLAN CONFORMS SUBSTANTIALLY TO
 14 THE MASTER PLAN OF THE MUNICIPALITY AS A WHOLE; AND

15 (3) THE URBAN RENEWAL PLAN WILL AFFORD MAXIMUM
 OPPORTUNITY, CONSISTENT WITH THE SOUND NEEDS OF THE MUNICIPALITY AS
 A WHOLE, FOR THE REHABILITATION OR REDEVELOPMENT OF THE URBAN
 RENEWAL AREA BY PRIVATE ENTERPRISE.

19 **(B)** AN URBAN RENEWAL PLAN MAY BE MODIFIED AT ANY TIME. IF 20 MODIFIED AFTER THE LEASE OR SALE OF REAL PROPERTY IN THE URBAN RENEWAL PROJECT AREA, THE MODIFICATION MAY BE CONDITIONED ON 21 22 WHATEVER APPROVAL OF THE OWNER, LESSEE, OR SUCCESSOR IN INTEREST AS THE MUNICIPALITY CONSIDERS ADVISABLE. IN ANY EVENT, IT SHALL BE 23 24 SUBJECT TO WHATEVER RIGHTS AT LAW OR IN EQUITY AS A LESSEE OR 25 PURCHASER, OR THE SUCCESSOR OR SUCCESSORS IN INTEREST, MAY BE 26 ENTITLED TO ASSERT. WHERE THE PROPOSED MODIFICATION WILL CHANGE 27 SUBSTANTIALLY THE URBAN RENEWAL PLAN AS APPROVED PREVIOUSLY BY THE MUNICIPALITY, THE MODIFICATION SHALL BE APPROVED FORMALLY BY THE 28 29 MUNICIPALITY, AS IN THE CASE OF AN ORIGINAL PLAN.

30 (C) ON THE APPROVAL BY THE MUNICIPALITY OF AN URBAN RENEWAL
 31 PLAN OR OF ANY MODIFICATION OF IT, THE PLAN OR MODIFICATION SHALL BE
 32 CONSIDERED TO BE IN FULL FORCE AND EFFECT FOR THE RESPECTIVE URBAN
 33 RENEWAL AREA. THE MUNICIPALITY MAY HAVE THE PLAN OR MODIFICATION
 34 CARRIED OUT IN ACCORDANCE WITH ITS TERMS.

1 A1-108. DISPOSAL OF PROPERTY IN URBAN RENEWAL AREA.

2 (A) THE MUNICIPALITY, BY ORDINANCE, MAY SELL, LEASE, OR 3 OTHERWISE TRANSFER REAL PROPERTY OR ANY INTEREST IN IT ACQUIRED BY 4 IT FOR AN URBAN RENEWAL PROJECT TO ANY PERSON FOR RESIDENTIAL, RECREATIONAL, COMMERCIAL, INDUSTRIAL, EDUCATIONAL, OR OTHER USES OR 5 FOR PUBLIC USE, OR IT MAY RETAIN THE PROPERTY OR INTEREST FOR PUBLIC 6 7 USE, IN ACCORDANCE WITH THE URBAN RENEWAL PLAN AND SUBJECT TO COVENANTS, CONDITIONS, AND RESTRICTIONS, INCLUDING 8 WHATEVER COVENANTS RUNNING WITH THE LAND, AS IT CONSIDERS NECESSARY OR 9 DESIRABLE TO ASSIST IN PREVENTING THE DEVELOPMENT OR SPREAD OF 10 FUTURE SLUMS OR BLIGHTED AREAS OR TO OTHERWISE CARRY OUT THE 11 PURPOSES OF THIS APPENDIX. THE PURCHASERS OR LESSEES AND THEIR 12 SUCCESSORS AND ASSIGNS SHALL BE OBLIGATED TO DEVOTE THE REAL 13 14 PROPERTY ONLY TO THE USES SPECIFIED IN THE URBAN RENEWAL PLAN, AND 15 MAY BE OBLIGATED TO COMPLY WITH WHATEVER OTHER REQUIREMENTS THE MUNICIPALITY DETERMINES TO BE IN THE PUBLIC INTEREST, INCLUDING THE 16 17 OBLIGATION TO BEGIN WITHIN A REASONABLE TIME ANY IMPROVEMENTS ON THE REAL PROPERTY REQUIRED BY THE URBAN RENEWAL PLAN. THE REAL 18 PROPERTY OR INTEREST MAY NOT BE SOLD, LEASED, OTHERWISE 19 TRANSFERRED, OR RETAINED AT LESS THAN ITS FAIR VALUE FOR USES IN 20 21 ACCORDANCE WITH THE URBAN RENEWAL PLAN. IN DETERMINING THE FAIR 22 VALUE OF REAL PROPERTY FOR USES IN ACCORDANCE WITH THE URBAN 23 RENEWAL PLAN, THE MUNICIPALITY SHALL TAKE INTO ACCOUNT AND GIVE 24 CONSIDERATION TO THE USES PROVIDED IN THE PLAN, THE RESTRICTIONS ON, AND THE COVENANTS, CONDITIONS, AND OBLIGATIONS ASSUMED BY THE 25 26 PURCHASER OR LESSEE OR BY THE MUNICIPALITY RETAINING THE PROPERTY, 27 AND THE OBJECTIVES OF THE PLAN FOR THE PREVENTION OF THE RECURRENCE OF SLUM OR BLIGHTED AREAS. IN ANY INSTRUMENT OR 28 29 CONVEYANCE TO A PRIVATE PURCHASER OR LESSEE, THE MUNICIPALITY MAY 30 PROVIDE THAT THE PURCHASER OR LESSEE MAY NOT SELL, LEASE, OR OTHERWISE TRANSFER THE REAL PROPERTY WITHOUT THE PRIOR WRITTEN 31 32 CONSENT OF THE MUNICIPALITY UNTIL THE PURCHASER OR LESSEE HAS COMPLETED THE CONSTRUCTION OF ANY OR ALL IMPROVEMENTS WHICH THE 33 PURCHASER OR LESSEE HAS BEEN OBLIGATED TO CONSTRUCT ON THE 34 PROPERTY. REAL PROPERTY ACQUIRED BY THE MUNICIPALITY WHICH, IN 35 36 ACCORDANCE WITH THE PROVISIONS OF THE URBAN RENEWAL PLAN, IS TO BE TRANSFERRED, SHALL BE TRANSFERRED AS RAPIDLY AS FEASIBLE IN THE 37

PUBLIC INTEREST CONSISTENT WITH THE CARRYING OUT OF THE PROVISIONS
 OF THE URBAN RENEWAL PLAN. ANY CONTRACT FOR THE TRANSFER AND THE
 URBAN RENEWAL PLAN (OR ANY PART OR PARTS OF THE CONTRACT OR PLAN AS
 THE MUNICIPALITY DETERMINES) MAY BE RECORDED IN THE LAND RECORDS
 OF THE COUNTY IN WHICH THE MUNICIPALITY IS SITUATED IN A MANNER SO AS
 TO AFFORD ACTUAL OR CONSTRUCTIVE NOTICE OF IT.

7 THE MUNICIPALITY, BY ORDINANCE, MAY DISPOSE OF REAL **(B)** PROPERTY IN AN URBAN RENEWAL AREA TO PRIVATE PERSONS. THE 8 9 MUNICIPALITY MAY, BY PUBLIC NOTICE BY PUBLICATION IN A NEWSPAPER HAVING A GENERAL CIRCULATION IN THE COMMUNITY, INVITE PROPOSALS 10 11 FROM AND MAKE AVAILABLE ALL PERTINENT INFORMATION TO PRIVATE 12 REDEVELOPERS OR ANY PERSONS INTERESTED IN UNDERTAKING TO 13 REDEVELOP OR REHABILITATE AN URBAN RENEWAL AREA, OR ANY PART THEREOF. THE NOTICE SHALL IDENTIFY THE AREA, OR PORTION THEREOF, AND 14 15 SHALL STATE THAT PROPOSALS SHALL BE MADE BY THOSE INTERESTED WITHIN 16 **SPECIFIED** PERIOD. THE MUNICIPALITY SHALL CONSIDER ALL Α 17 REDEVELOPMENT OR REHABILITATION PROPOSALS AND THE FINANCIAL AND LEGAL ABILITY OF THE PERSONS MAKING PROPOSALS TO CARRY THEM OUT, 18 19 AND MAY NEGOTIATE WITH ANY PERSONS FOR PROPOSALS FOR THE PURCHASE, 20 LEASE, OR OTHER TRANSFER OF ANY REAL PROPERTY ACQUIRED BY THE 21 MUNICIPALITY IN THE URBAN RENEWAL AREA. THE MUNICIPALITY MAY ACCEPT 22 ANY PROPOSAL AS IT DEEMS TO BE IN THE PUBLIC INTEREST AND IN 23 FURTHERANCE OF THE PURPOSES OF THIS APPENDIX. THEREAFTER, THE MUNICIPALITY MAY EXECUTE AND DELIVER CONTRACTS, DEEDS, LEASES, AND 24 25 OTHER INSTRUMENTS AND TAKE ALL STEPS NECESSARY TO EFFECTUATE THE 26 TRANSFERS.

(C) THE MUNICIPALITY MAY OPERATE TEMPORARILY AND MAINTAIN
REAL PROPERTY ACQUIRED BY IT IN AN URBAN RENEWAL AREA FOR OR IN
CONNECTION WITH AN URBAN RENEWAL PROJECT PENDING THE DISPOSITION
OF THE PROPERTY AS AUTHORIZED IN THIS APPENDIX, WITHOUT REGARD TO
THE PROVISIONS OF SUBSECTION (A), FOR USES AND PURPOSES CONSIDERED
DESIRABLE EVEN THOUGH NOT IN CONFORMITY WITH THE URBAN RENEWAL
PLAN.

(D) ANY INSTRUMENT EXECUTED BY THE MUNICIPALITY AND
 PURPORTING TO CONVEY ANY RIGHT, TITLE, OR INTEREST IN ANY PROPERTY
 UNDER THIS APPENDIX SHALL BE PRESUMED CONCLUSIVELY TO HAVE BEEN

EXECUTED IN COMPLIANCE WITH THE PROVISIONS OF THIS APPENDIX INSOFAR
 AS TITLE OR OTHER INTEREST OF ANY BONA FIDE PURCHASERS, LESSEES, OR
 TRANSFEREES OF THE PROPERTY IS CONCERNED.

4 **A1–109. E**MINENT DOMAIN.

CONDEMNATION OF LAND OR PROPERTY UNDER THE PROVISIONS OF THIS
 APPENDIX SHALL BE IN ACCORDANCE WITH THE PROCEDURE PROVIDED IN THE
 REAL PROPERTY ARTICLE OF THE ANNOTATED CODE OF MARYLAND.

8 A1–110. ENCOURAGEMENT OF PRIVATE ENTERPRISE.

9 THE MUNICIPALITY, TO THE EXTENT IT DETERMINES TO BE FEASIBLE IN 10 CARRYING OUT THE PROVISIONS OF THIS APPENDIX, SHALL AFFORD MAXIMUM 11 OPPORTUNITY TO THE REHABILITATION OR REDEVELOPMENT OF ANY URBAN 12 RENEWAL AREA BY PRIVATE ENTERPRISE CONSISTENT WITH THE SOUND NEEDS 13 OF THE MUNICIPALITY AS A WHOLE. THE MUNICIPALITY SHALL GIVE 14 CONSIDERATION TO THIS OBJECTIVE IN EXERCISING ITS POWERS UNDER THIS 15 APPENDIX.

16 A1-111. GENERAL OBLIGATION BONDS.

17 FOR THE PURPOSE OF FINANCING AND CARRYING OUT AN URBAN RENEWAL PROJECT AND RELATED ACTIVITIES, THE MUNICIPALITY MAY ISSUE 18 AND SELL ITS GENERAL OBLIGATION BONDS. ANY BONDS ISSUED BY THE 19 20 MUNICIPALITY PURSUANT TO THIS SECTION SHALL BE ISSUED IN THE MANNER AND WITHIN THE LIMITATIONS PRESCRIBED BY APPLICABLE LAW FOR THE 21 22 ISSUANCE AND AUTHORIZATION OF GENERAL OBLIGATION BONDS BY THE 23 MUNICIPALITY, AND ALSO WITHIN LIMITATIONS DETERMINED BY THE 24 **MUNICIPALITY.**

25 **A1–112. REVENUE BONDS.**

(A) IN ADDITION TO THE AUTHORITY CONFERRED BY SECTION A1-111
 OF THIS APPENDIX, THE MUNICIPALITY MAY ISSUE REVENUE BONDS TO
 FINANCE THE UNDERTAKING OF ANY URBAN RENEWAL PROJECT AND RELATED
 ACTIVITIES. ALSO, IT MAY ISSUE REFUNDING BONDS FOR THE PAYMENT OR
 RETIREMENT OF THE BONDS ISSUED PREVIOUSLY BY IT. THE BONDS SHALL BE
 MADE PAYABLE, AS TO BOTH PRINCIPAL AND INTEREST, SOLELY FROM THE

INCOME, PROCEEDS, REVENUES, AND FUNDS OF THE MUNICIPALITY DERIVED 1 FROM OR HELD IN CONNECTION WITH THE UNDERTAKING AND CARRYING OUT 2 OF URBAN RENEWAL PROJECTS UNDER THIS APPENDIX. HOWEVER, PAYMENT 3 OF THE BONDS, BOTH AS TO PRINCIPAL AND INTEREST, MAY BE FURTHER 4 5 SECURED BY A PLEDGE OF ANY LOAN, GRANT, OR CONTRIBUTION FROM THE FEDERAL GOVERNMENT OR OTHER SOURCE, IN AID OF ANY URBAN RENEWAL 6 7 PROJECTS OF THE MUNICIPALITY UNDER THIS APPENDIX, AND BY A MORTGAGE OF ANY URBAN RENEWAL PROJECT, OR ANY PART OF A PROJECT, TITLE TO 8 WHICH IS IN THE MUNICIPALITY. IN ADDITION, THE MUNICIPALITY MAY ENTER 9 10 INTO AN INDENTURE OF TRUST WITH ANY PRIVATE BANKING INSTITUTION OF THIS STATE HAVING TRUST POWERS AND MAY MAKE IN THE INDENTURE OF 11 12 TRUST COVENANTS AND COMMITMENTS REQUIRED BY ANY PURCHASER FOR THE ADEQUATE SECURITY OF THE BONDS. 13

14 BONDS ISSUED UNDER THIS SECTION DO NOT CONSTITUTE AN **(B)** INDEBTEDNESS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY 15 16 DEBT LIMITATION OR RESTRICTION, ARE NOT SUBJECT TO THE PROVISIONS OF 17 ANY OTHER LAW OR CHARTER RELATING TO THE AUTHORIZATION, ISSUANCE, OR SALE OF BONDS, AND ARE EXEMPTED SPECIFICALLY FROM THE 18 **RESTRICTIONS CONTAINED IN SECTIONS 9, 10, AND 11 OF ARTICLE 31 (DEBT –** 19 PUBLIC) OF THE ANNOTATED CODE OF MARYLAND. BONDS ISSUED UNDER THE 20 21 PROVISIONS OF THIS APPENDIX ARE DECLARED TO BE ISSUED FOR AN 22 ESSENTIAL PUBLIC AND GOVERNMENTAL PURPOSE AND, TOGETHER WITH 23 INTEREST ON THEM AND INCOME FROM THEM, ARE EXEMPT FROM ALL TAXES.

(C) BONDS ISSUED UNDER THIS SECTION SHALL BE AUTHORIZED BY
 RESOLUTION OR ORDINANCE OF THE LEGISLATIVE BODY OF THE MUNICIPALITY.
 THEY MAY BE ISSUED IN ONE OR MORE SERIES AND SHALL:

- 27 (1) BEAR A DATE OR DATES;
- 28 (2) MATURE AT A TIME OR TIMES;
- 29 (3) BEAR INTEREST AT A RATE OR RATES;
- 30 (4) **BE IN A DENOMINATION OR DENOMINATIONS;**

31(5)BE IN A FORM EITHER WITH OR WITHOUT COUPON OR32REGISTERED;

(6) 1 **CARRY A CONVERSION OR REGISTRATION PRIVILEGE;** 2 (7) HAVE A RANK OR PRIORITY; 3 (8) **BE EXECUTED IN A MANNER;** 4 (9) BE PAYABLE IN A MEDIUM OF PAYMENT, AT A PLACE OR 5 PLACES, AND BE SUBJECT TO TERMS OF REDEMPTION (WITH OR WITHOUT 6 **PREMIUM);** 7 (10) **BE SECURED IN A MANNER; AND** 8 (11) HAVE OTHER CHARACTERISTICS, AS ARE PROVIDED BY THE 9 **RESOLUTION, TRUST INDENTURE, OR MORTGAGE ISSUED PURSUANT TO IT.** 10 THESE BONDS MAY NOT BE SOLD AT LESS THAN PAR VALUE AT **(D)** PUBLIC SALES WHICH ARE HELD AFTER NOTICE IS PUBLISHED PRIOR TO THE 11 12 SALE IN A NEWSPAPER HAVING A GENERAL CIRCULATION IN THE AREA IN 13 WHICH THE MUNICIPALITY IS LOCATED AND IN WHATEVER OTHER MEDIUM OF PUBLICATION AS THE MUNICIPALITY MAY DETERMINE. THE BONDS MAY BE 14 15 EXCHANGED ALSO FOR OTHER BONDS ON THE BASIS OF PAR. HOWEVER, THE 16 BONDS MAY NOT BE SOLD TO THE FEDERAL GOVERNMENT AT PRIVATE SALE AT 17 LESS THAN PAR, AND, IN THE EVENT LESS THAN ALL OF THE AUTHORIZED 18 PRINCIPAL AMOUNT OF THE BONDS IS SOLD TO THE FEDERAL GOVERNMENT, 19 THE BALANCE MAY NOT BE SOLD AT PRIVATE SALE AT LESS THAN PAR AT AN INTEREST COST TO THE MUNICIPALITY WHICH DOES NOT EXCEED THE 20 21 INTEREST COST TO THE MUNICIPALITY OF THE PORTION OF THE BONDS SOLD 22 TO THE FEDERAL GOVERNMENT.

IN CASE ANY OF THE PUBLIC OFFICIALS OF THE MUNICIPALITY 23 **(E)** 24 WHOSE SIGNATURES APPEAR ON ANY BONDS OR COUPONS ISSUED UNDER THIS APPENDIX CEASE TO BE OFFICIALS OF THE MUNICIPALITY BEFORE THE 25 26 DELIVERY OF THE BONDS OR IN THE EVENT ANY OF THE OFFICIALS HAVE 27 BECOME SUCH AFTER THE DATE OF ISSUE OF THEM, THE BONDS ARE VALID AND BINDING OBLIGATIONS OF THE MUNICIPALITY IN ACCORDANCE WITH THEIR 28 TERMS. ANY PROVISION OF ANY LAW TO THE CONTRARY NOTWITHSTANDING, 29 30 ANY BONDS ISSUED PURSUANT TO THIS APPENDIX ARE FULLY NEGOTIABLE.

IN ANY SUIT, ACTION, OR PROCEEDING INVOLVING THE VALIDITY 1 **(F)** OR ENFORCEABILITY OF ANY BOND ISSUED UNDER THIS APPENDIX, OR THE 2 SECURITY FOR IT, ANY BOND WHICH RECITES IN SUBSTANCE THAT IT HAS BEEN 3 4 ISSUED BY THE MUNICIPALITY IN CONNECTION WITH AN URBAN RENEWAL 5 PROJECT SHALL BE CONSIDERED CONCLUSIVELY TO HAVE BEEN ISSUED FOR THAT PURPOSE, AND THE PROJECT SHALL BE CONSIDERED CONCLUSIVELY TO 6 7 HAVE BEEN PLANNED, LOCATED, AND CARRIED OUT IN ACCORDANCE WITH THE 8 **PROVISIONS OF THIS APPENDIX.**

9 (G) ALL BANKS, TRUST COMPANIES, BANKERS, SAVINGS BANKS, AND INSTITUTIONS, BUILDING AND LOAN ASSOCIATIONS, SAVINGS AND LOAN 10 11 ASSOCIATIONS, INVESTMENT COMPANIES, AND OTHER PERSONS CARRYING ON A 12 BANKING OR INVESTMENT BUSINESS; ALL INSURANCE COMPANIES, INSURANCE 13 ASSOCIATIONS, AND OTHER PERSONS CARRYING ON AN INSURANCE BUSINESS; AND ALL EXECUTORS, ADMINISTRATORS, CURATORS, TRUSTEES, AND OTHER 14 15 FIDUCIARIES, MAY LEGALLY INVEST ANY SINKING FUNDS, MONEYS, OR OTHER 16 FUNDS BELONGING TO THEM OR WITHIN THEIR CONTROL IN ANY BONDS OR 17 OTHER OBLIGATIONS ISSUED BY THE MUNICIPALITY PURSUANT TO THIS APPENDIX. HOWEVER, THE BONDS AND OTHER OBLIGATIONS SHALL BE 18 19 SECURED BY AN AGREEMENT BETWEEN THE ISSUER AND THE FEDERAL GOVERNMENT IN WHICH THE ISSUER AGREES TO BORROW FROM THE FEDERAL 20 21 GOVERNMENT AND THE FEDERAL GOVERNMENT AGREES TO LEND TO THE 22 ISSUER. PRIOR TO THE MATURITY OF THE BONDS OR OTHER OBLIGATIONS. 23 MONEYS IN AN AMOUNT WHICH (TOGETHER WITH ANY OTHER MONEYS 24 COMMITTED IRREVOCABLY TO THE PAYMENT OF PRINCIPAL AND INTEREST ON 25 THE BONDS OR OTHER OBLIGATIONS) WILL SUFFICE TO PAY THE PRINCIPAL OF THE BONDS OR OTHER OBLIGATIONS WITH INTEREST TO MATURITY ON THEM. 26 27 THE MONEYS UNDER THE TERMS OF THE AGREEMENT SHALL BE REQUIRED TO 28 BE USED FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND THE INTEREST 29 ON THE BONDS OR OTHER OBLIGATIONS AT THEIR MATURITY. THE BONDS AND 30 OTHER OBLIGATIONS SHALL BE AUTHORIZED SECURITY FOR ALL PUBLIC DEPOSITS. THIS SECTION AUTHORIZES ANY PERSONS OR PUBLIC OR PRIVATE 31 POLITICAL SUBDIVISIONS AND OFFICERS TO USE ANY FUNDS OWNED OR 32 33 CONTROLLED BY THEM FOR THE PURCHASE OF ANY BONDS OR OTHER 34 **OBLIGATIONS. WITH REGARD TO LEGAL INVESTMENTS, THIS SECTION MAY NOT** 35 BE CONSTRUED TO RELIEVE ANY PERSON OF ANY DUTY OF EXERCISING 36 **REASONABLE CARE IN SELECTING SECURITIES.**

37 **A1–113. SHORT TITLE.**

1 THIS APPENDIX SHALL BE KNOWN AND MAY BE CITED AS THE HURLOCK 2 URBAN RENEWAL AUTHORITY FOR SLUM CLEARANCE ACT.

3 A1-114. AUTHORITY TO AMEND OR REPEAL.

4 THIS APPENDIX, ENACTED PURSUANT TO ARTICLE III, SECTION 61 OF 5 THE MARYLAND CONSTITUTION, MAY BE AMENDED OR REPEALED ONLY BY THE 6 GENERAL ASSEMBLY OF MARYLAND.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
 October 1, 2007.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.