

SENATE BILL 18

B2
SB 178/06 – B&T

71r0745
CF 71r0744

By: **Senator Della**
Introduced and read first time: January 11, 2007
Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt – Baltimore City – Library Square Revitalization**

3 FOR the purpose of authorizing the creation of a State Debt in the amount of
4 \$500,000, the proceeds to be used as a grant to the Board of Directors of the
5 Patterson Park Community Development Corporation for certain development
6 or improvement purposes; providing for disbursement of the loan proceeds,
7 subject to a requirement that the grantee provide and expend a matching fund;
8 requiring the grantee to grant and convey a certain easement to the Maryland
9 Historical Trust; establishing a deadline for the encumbrance or expenditure of
10 the loan proceeds; and providing generally for the issuance and sale of bonds
11 evidencing the loan.

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

14 (1) The Board of Public Works may borrow money and incur indebtedness on
15 behalf of the State of Maryland through a State loan to be known as the Baltimore
16 City – Library Square Revitalization Loan of 2007 in the total principal amount of
17 \$500,000. This loan shall be evidenced by the issuance, sale, and delivery of State
18 general obligation bonds authorized by a resolution of the Board of Public Works and
19 issued, sold, and delivered in accordance with §§ 8–117 through 8–124 of the State
20 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
22 as a single issue or may be consolidated and sold as part of a single issue of bonds
23 under § 8–122 of the State Finance and Procurement Article.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
2 and first shall be applied to the payment of the expenses of issuing, selling, and
3 delivering the bonds, unless funds for this purpose are otherwise provided, and then
4 shall be credited on the books of the Comptroller and expended, on approval by the
5 Board of Public Works, for the following public purposes, including any applicable
6 architects' and engineers' fees: as a grant to the Board of Directors of the Patterson
7 Park Community Development Corporation (referred to hereafter in this Act as "the
8 grantee") for the acquisition, planning, design, construction, repair, renovation,
9 reconstruction, and capital equipping of properties in the Library Square area of
10 Patterson Park that is bordered by Linwood Avenue, Fayette Street, and Pulaski
11 Highway, located in Baltimore City.

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

16 (5) Prior to the payment of any funds under the provisions of this Act for the
17 purposes set forth in Section 1(3) above, the grantee shall provide and expend a
18 matching fund of \$245,000. No part of the grantee's matching fund may be provided,
19 either directly or indirectly, from funds of the State, whether appropriated or
20 unappropriated. The fund may consist of funds expended prior to the effective date of
21 this Act. No part of the fund may consist of real property or in kind contributions. In
22 case of any dispute as to the amount of the matching fund or what money or assets
23 may qualify as matching funds, the Board of Public Works shall determine the matter
24 and the Board's decision is final. The grantee has until June 1, 2009, to present
25 evidence satisfactory to the Board of Public Works that a matching fund will be
26 provided. If satisfactory evidence is presented, the Board shall certify this fact and the
27 amount of the matching fund to the State Treasurer, and the proceeds of the loan
28 equal to the amount of the matching fund shall be expended for the purposes provided
29 in this Act. Any amount of the loan in excess of the amount of the matching fund
30 certified by the Board of Public Works shall be canceled and be of no further effect.

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

34 (i) On the land or such portion of the land acceptable to the
35 Trust; and

36 (ii) On the exterior and interior, where appropriate, of the
37 historic structures.

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

3 (c) The easement must be in form and substance acceptable to the
4 Trust and any liens or encumbrances against the land or the structures must be
5 acceptable to the Trust.

6 (7) The proceeds of the loan must be expended or encumbered by the Board
7 of Public Works for the purposes provided in this Act no later than June 1, 2014. If any
8 funds authorized by this Act remain unexpended or unencumbered after June 1, 2014,
9 the amount of the unencumbered or unexpended authorization shall be canceled and
10 be of no further effect. If bonds have been issued for the loan, the amount of
11 unexpended or unencumbered bond proceeds shall be disposed of as provided in §
12 8-129 of the State Finance and Procurement Article.

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