

HOUSE BILL 1449

B2

9lr3177
CF SB 1002

By: **Delegate Love**

Introduced and read first time: February 27, 2009

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt – Anne Arundel County – Annapolis Summer Garden**
3 **Theatre Renovation**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$50,000, the
5 proceeds to be used as a grant to the Board of Directors of the Annapolis
6 Summer Garden Theatre, Inc. for certain development or improvement
7 purposes; providing for disbursement of the loan proceeds, subject to a
8 requirement that the grantee provide and expend a matching fund; requiring
9 the grantee to grant and convey a certain easement to the Maryland Historical
10 Trust; establishing a deadline for the encumbrance or expenditure of the loan
11 proceeds; and providing generally for the issuance and sale of bonds evidencing
12 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 Anne Arundel
17 County – Annapolis Summer Garden Theatre Renovation Loan of 2009 in a total
18 principal amount equal to the lesser of (i) \$50,000 or (ii) the amount of the matching
19 fund provided in accordance with Section 1(5) below. This loan shall be evidenced by
20 the issuance, sale, and delivery of State general obligation bonds authorized by a
21 resolution of the Board of Public Works and issued, sold, and delivered in accordance
22 with §§ 8–117 through 8–124 of the State Finance and Procurement Article and
23 Article 31, § 22 of the Code.

24 (2) The bonds to evidence this loan or installments of this loan may be sold
25 as a single issue or may be consolidated and sold as part of a single issue of bonds
26 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 Annapolis
7 Summer Garden Theatre, Inc. (referred to hereafter in this Act as "the grantee") for
8 the repair and renovation of the Annapolis Summer Garden Theatre, located in
9 Annapolis.

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

14 (5) Prior to the payment of any funds under the provisions of this Act for the
15 purposes set forth in Section 1(3) above, the grantee shall provide and expend a
16 matching fund. No part of the grantee's matching fund may be provided, either
17 directly or indirectly, from funds of the State, whether appropriated or
18 unappropriated. No part of the fund may consist of real property, in kind
19 contributions, or funds expended prior to the effective date of this Act. In case of any
20 dispute as to the amount of the matching fund or what money or assets may qualify as
21 matching funds, the Board of Public Works shall determine the matter and the
22 Board's decision is final. The grantee has until June 1, 2011, to present evidence
23 satisfactory to the Board of Public Works that a matching fund will be provided. If
24 satisfactory evidence is presented, the Board shall certify this fact and the amount of
25 the matching fund to the State Treasurer, and the proceeds of the loan equal to the
26 amount of the matching fund shall be expended for the purposes provided in this Act.
27 Any amount of the loan in excess of the amount of the matching fund certified by the
28 Board of Public Works shall be canceled and be of no further effect.

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

32 (i) On the land or such portion of the land acceptable to the
33 Trust; and

34 (ii) On the exterior and interior, where appropriate, of the
35 historic structures.

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

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

1 (7) The proceeds of the loan must be expended or encumbered by the Board
2 of Public Works for the purposes provided in this Act no later than June 1, 2016. If any
3 funds authorized by this Act remain unexpended or unencumbered after June 1, 2016,
4 the amount of the unencumbered or unexpended authorization shall be canceled and
5 be of no further effect. If bonds have been issued for the loan, the amount of
6 unexpended or unencumbered bond proceeds shall be disposed of as provided in
7 § 8–129 of the State Finance and Procurement Article.

8 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
9 June 1, 2009.