

CHAPTER 191

(Senate Bill 39)

AN ACT concerning

Municipal Corporations – Tax Increment Financing – Application of Bond Proceeds

FOR the purpose of authorizing a municipal corporation to apply the proceeds from the issuance of certain bonds to install infrastructure improvements for the purpose of encouraging redevelopment in certain areas; and generally relating to the application of proceeds from certain bonds issued by a municipal corporation.

BY repealing and reenacting, without amendments,
Article – Economic Development
Section 12–201(i) and (m) and 12–204(a)
Annotated Code of Maryland
(2008 Volume)

BY repealing and reenacting, with amendments,
Article – Economic Development
Section 12–207
Annotated Code of Maryland
(2008 Volume)

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

Article – Economic Development

12–201.

(i) “Issuer” means a political subdivision or the revenue authority of Prince George’s County that issues a bond under this subtitle.

(m) “Political subdivision” means a county or a municipal corporation.

12–204.

(a) Notwithstanding any limitation of law, an issuer may issue bonds from time to time to finance the development of an industrial, commercial, or residential area.

12-207.

(a) Bond proceeds may be used only:

(1) to buy, lease, condemn, or otherwise acquire property, or an interest in property:

(i) in the development district; or

(ii) needed for a right-of-way or other easement to or from the development district;

(2) for site removal;

(3) for surveys and studies;

(4) to relocate businesses or residents;

(5) to install utilities, construct parks and playgrounds, and for other needed improvements including:

(i) roads to, from, or in the development district;

(ii) parking; and

(iii) lighting;

(6) to construct or rehabilitate buildings for a governmental purpose or use;

(7) for reserves or capitalized interest;

(8) for necessary costs to issue bonds; and

(9) to pay the principal of and interest on loans, advances, or indebtedness that a political subdivision incurs for a purpose specified in this section.

(b) (1) In addition to the purposes listed in subsection (a) of this section, the proceeds from bonds that Prince George's County or the revenue authority of Prince George's County issues may be used:

(i) for convention, conference, or visitors' centers;

(ii) to maintain infrastructure improvements and convention, conference, or visitors' centers;

(iii) to market development district facilities and other improvements; and

(iv) for the purpose of encouraging redevelopment in those areas listed in paragraph (2) of this subsection, to install infrastructure improvements, including:

1. streets;
2. parking structures of any type whether for public or private use;
3. utilities;
4. street lights;
5. stormwater management and storm drain facilities;
6. fencing;
7. noise walls;
8. retaining walls;
9. trails;
10. sidewalks;
11. pedestrian and vehicular bridges; and
12. park facilities.

(2) The purpose of the authority granted by paragraph (1)(iv) of this subsection is to encourage redevelopment in:

- (i) revitalization areas designated by the county;
- (ii) mixed use centers;
- (iii) blighted areas; and
- (iv) the Developed Tier, growth corridors, and growth centers, as defined in the county General Plan.

(C) (1) IN ADDITION TO THE PURPOSES LISTED IN SUBSECTION (A) OF THIS SECTION, THE PROCEEDS FROM BONDS THAT A MUNICIPAL

CORPORATION ISSUES MAY BE USED FOR THE PURPOSE OF ENCOURAGING REDEVELOPMENT IN THOSE AREAS LISTED IN PARAGRAPH (2) OF THIS SUBSECTION, TO INSTALL INFRASTRUCTURE IMPROVEMENTS, INCLUDING:

- (I) STREETS;**
- (II) PARKING STRUCTURES OF ANY TYPE WHETHER FOR PUBLIC OR PRIVATE USE;**
- (III) UTILITIES;**
- (IV) STREET LIGHTS;**
- (V) STORMWATER MANAGEMENT AND STORM DRAIN FACILITIES;**
- (VI) FENCING;**
- (VII) NOISE WALLS;**
- (VIII) RETAINING WALLS;**
- (IX) TRAILS;**
- (X) SIDEWALKS;**
- (XI) PEDESTRIAN AND VEHICULAR BRIDGES; AND**
- (XII) PARK FACILITIES.**

(2) THE PURPOSE OF THE AUTHORITY GRANTED BY PARAGRAPH (1) OF THIS SUBSECTION IS TO ENCOURAGE REDEVELOPMENT IN:

- (I) REVITALIZATION AREAS DESIGNATED BY A COUNTY OR MUNICIPAL CORPORATION;**
- (II) MIXED USE CENTERS;**
- (III) BLIGHTED AREAS; AND**
- (IV) DEVELOPED AREAS AND GROWTH AREAS, AS DEFINED IN A COUNTY OR MUNICIPAL CORPORATION LAND USE PLAN.**

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

Approved by the Governor, May 7, 2009.