

# Chapter 654

(House Bill 213)

AN ACT concerning

## Baltimore City Community Enhancement Transit–Oriented Development Fund

FOR the purpose of establishing the Baltimore City Community Enhancement Transit–Oriented Development Fund for certain purposes; providing that the Fund is a special, nonlapsing fund; providing for the contents and uses of the Fund; ~~requiring~~ *providing* that a certain portion of certain revenues from certain projects and certain other money *shall* be paid into the Fund *under certain circumstances*; requiring the Comptroller to pay certain money from the Fund to the Mayor and City Council of Baltimore City in a certain manner; authorizing the Mayor and City Council to use or make awards of money received from the Fund for certain purposes; requiring the State Treasurer to invest the money in the Fund in a certain manner; *adding the Fund to the list of exceptions to the requirement that the earnings of special funds accrue to the General Fund*; stating certain findings of the General Assembly; providing for the application of this Act; providing for the purposes of certain provisions of this Act; defining certain terms; and generally relating to the Baltimore City Community Enhancement Transit–Oriented Development Fund.

BY repealing and reenacting, without amendments,

Article – Economic Development

Section 1–101(e)

Annotated Code of Maryland

(2008 Volume and 2011 Supplement)

BY adding to

Article – Economic Development

Section 15–101 through 15–107 to be under the new title “Title 15. Baltimore City Community Enhancement Transit–Oriented Development Fund”

Annotated Code of Maryland

(2008 Volume and 2011 Supplement)

BY repealing and reenacting, without amendments,

Article – State Finance and Procurement

Section 6–226(a)(2)(i)

Annotated Code of Maryland

(2009 Replacement Volume and 2011 Supplement)

BY repealing and reenacting, with amendments,

Article – State Finance and Procurement  
Section 6–226(a)(2)(ii)62. and 63. and 10–306  
Annotated Code of Maryland  
(2009 Replacement Volume and 2011 Supplement)

BY adding to

Article – State Finance and Procurement  
Section 6–226(a)(2)(ii)64.  
Annotated Code of Maryland  
(2009 Replacement Volume and 2011 Supplement)

BY repealing and reenacting, without amendments,  
Article – Transportation  
Section 7–101(m)  
Annotated Code of Maryland  
(2008 Replacement Volume and 2011 Supplement)

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

**Article – Economic Development**

1–101.

(e) (1) “Qualified distressed county” means a county with:

(i) an average rate of unemployment for the most recent 24–month period for which data are available that exceeds 150% of the average rate of unemployment for the State during that period; or

(ii) an average per capita personal income for the most recent 24–month period for which data are available that is equal to or less than 67% of the average per capita personal income for the State during that period.

(2) “Qualified distressed county” includes a county that:

(i) no longer meets either criterion stated in paragraph (1) of this subsection; but

(ii) has met at least one of the criteria at some time during the preceding 24–month period.

**TITLE 15. BALTIMORE CITY COMMUNITY ENHANCEMENT TRANSIT–ORIENTED DEVELOPMENT FUND.**

15–101.

(A) IN THIS TITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(B) "FINANCIAL ASSISTANCE" MEANS A GRANT OR LOAN FROM THE FUND.

(C) "FUND" MEANS THE BALTIMORE CITY COMMUNITY ENHANCEMENT TRANSIT-ORIENTED DEVELOPMENT FUND.

(D) "QUALIFIED PROJECT AREA" MEANS A COMMUNITY THAT IS:

(1) LOCATED IN BALTIMORE CITY; AND

(2) DIRECTLY IMPACTED BY AND WITHIN 0.5 MILES OF THE BOUNDARY OF A DEVELOPMENT THAT HAS BEEN DESIGNATED AS A TRANSIT-ORIENTED DEVELOPMENT.

(E) "QUALIFIED RECIPIENT" MEANS AN ENTITY THAT IS BASED IN AND SERVES A QUALIFIED PROJECT AREA AND IS:

(1) A NOT FOR PROFIT COMMUNITY-BASED ORGANIZATION THAT HAS EXPERIENCE IN MAKING PHYSICAL, HUMAN CAPITAL, AND ECONOMIC INVESTMENTS TO REBUILD COMMUNITIES; OR

(2) A COMMUNITY DEVELOPMENT CORPORATION.

(F) "TRANSIT-ORIENTED DEVELOPMENT" HAS THE MEANING STATED IN § 7-101 OF THE TRANSPORTATION ARTICLE.

15-102.

(A) THE GENERAL ASSEMBLY FINDS THAT:

(1) WHILE STATE AND PRIVATELY FUNDED TRANSIT-ORIENTED DEVELOPMENT IS PARAMOUNT AND NECESSARY FOR THE ORDERLY ECONOMIC DEVELOPMENT OF THE STATE, SUCH DEVELOPMENT SHOULD BE PURSUED IN A MANNER THAT EXTENDS BENEFITS TO AND MINIMIZES NEGATIVE IMPACTS ON THE COMMUNITIES IN AND ADJACENT TO THE DEVELOPMENT;

(2) IN ORDER TO PRESERVE AND ENHANCE THE STATE'S DIVERSE CULTURAL FABRIC IN COMMUNITIES AFFECTED BY TRANSIT-ORIENTED DEVELOPMENT, IT IS ESSENTIAL FOR THE PUBLIC AND PRIVATE SECTORS TO

COOPERATE IN DEVELOPING PARTNERSHIPS THAT AIM TO STABILIZE SUCH COMMUNITIES;

(3) IT IS MOST FRUITFUL TO SEEK COMMUNITY INPUT AND INVOLVEMENT FROM ORGANIZATIONS IN AREAS AFFECTED BY TRANSIT-ORIENTED DEVELOPMENT IN ORDER TO BEST ADDRESS THE PHYSICAL, CULTURAL, AND ECONOMIC IMPACTS OF THE DEVELOPMENT; AND

(4) FOSTERING COMMUNITY-BASED INITIATIVES FOR NEIGHBORHOOD STABILITY AND GROWTH IS IN THE PUBLIC INTEREST.

(B) THE PURPOSE OF THIS TITLE IS TO PROMOTE AND ASSIST COMMUNITY-BASED INITIATIVES THAT ENHANCE NEIGHBORHOOD STABILITY AND ECONOMIC GROWTH IN COMMUNITIES THAT ARE DIRECTLY IMPACTED BY STATE- AND PRIVATELY FUNDED TRANSIT-ORIENTED DEVELOPMENT.

**15-103.**

**THIS TITLE APPLIES ONLY IN BALTIMORE CITY.**

**15-104.**

(A) THERE IS A BALTIMORE CITY COMMUNITY ENHANCEMENT TRANSIT-ORIENTED DEVELOPMENT FUND.

(B) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

**15-105.**

(A) THE PURPOSE OF THE FUND IS TO PROMOTE AND ASSIST COMMUNITY-BASED INITIATIVES IN QUALIFIED PROJECT AREAS CONSISTENT WITH THE PURPOSE OF THIS TITLE.

(B) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY, AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

(C) (1) THE FUND CONSISTS OF:

(I) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;

**(II) PROCEEDS OF BONDS THAT ARE MADE AVAILABLE FOR THE USE OF THE FUND, INCLUDING GENERAL OBLIGATION BONDS AND GRANT ANTICIPATION REVENUE VEHICLES;**

**(III) MONEY MADE AVAILABLE FOR QUALIFYING USES BY THE FUND FROM OTHER GOVERNMENTAL SOURCES, INCLUDING COMMUNITY DEVELOPMENT BLOCK GRANTS AND THE MARYLAND TRANSPORTATION TRUST FUND;**

**(IV) CONTRIBUTIONS TO THE FUND MADE BY THE PRIVATE DEVELOPERS OF THE RELEVANT TRANSIT-ORIENTED DEVELOPMENT;**

**(V) GROUND RENTS OR LAND SALE PROCEEDS IN ACCORDANCE WITH § 10-306(c)(1) OF THE STATE FINANCE AND PROCUREMENT ARTICLE;**

**(VI) PAYMENTS OF PRINCIPAL OF AND INTEREST ON LOANS MADE UNDER THIS TITLE;**

**(VII) INVESTMENT EARNINGS OF THE FUND; AND**

**(VIII) ANY OTHER MONEY FROM ANY OTHER SOURCE, PUBLIC OR PRIVATE, ACCEPTED FOR THE BENEFIT OF THE FUND.**

**(2) CONTRIBUTIONS TO THE FUND UNDER PARAGRAPH (1)(IV) OF THIS SUBSECTION SHALL BE SEPARATELY ACCOUNTED FOR IN THE FUND SO THAT THE REVENUE DERIVED FROM A DEVELOPMENT IN A PARTICULAR QUALIFIED PROJECT AREA SHALL RETURN TO A QUALIFIED RECIPIENT IN THAT QUALIFIED PROJECT AREA.**

**(3) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE COMPTROLLER SHALL:**

**(I) PAY MONEY IN THE FUND IN ANNUAL INSTALLMENTS TO THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY; AND**

**(II) ENSURE THAT THE MONEY IN THE FUND IS DISTRIBUTED IN THE MANNER THAT BEST ACCOMPLISHES THE PURPOSE OF THE FUND UNDER THIS TITLE.**

THE FUND MAY BE USED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR AWARDED TO A QUALIFIED RECIPIENT BY THE MAYOR AND CITY COUNCIL ONLY FOR:

(1) OPERATING SUPPORT FOR OR BUILDING THE CAPACITY OF QUALIFIED RECIPIENTS;

(2) ECONOMIC AND PHYSICAL IMPROVEMENTS TO THE COMMUNITY THROUGH PROJECTS THAT REINVEST IN AND REVITALIZE THE COMMUNITY;

(3) THE DEVELOPMENT OF WOMEN-OWNED, MINORITY-OWNED, AND SMALL BUSINESSES;

(4) THE DEVELOPMENT OF RECREATIONAL FACILITIES, PARKS, OR IMPROVEMENTS TO THE NATURAL ENVIRONMENT;

(5) THE DEVELOPMENT AND PRESERVATION OF AFFORDABLE AND WORKPLACE HOUSING;

(6) EXPANSION OF SCHOOL PROGRAMS AND CAPITAL IMPROVEMENTS TO SCHOOL FACILITIES THAT SERVE THE AREA;

(7) JOB TRAINING AND WORKFORCE DEVELOPMENT; OR

(8) COUNSELING FOR HOUSING AND SMALL BUSINESS DEVELOPMENT.

## 15-107.

(A) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

(B) ANY INVESTMENT EARNINGS OF THE FUND SHALL BE PAID INTO THE FUND.

## Article – State Finance and Procurement

### 6-226.

(a) (2) (i) Notwithstanding any other provision of law, and unless inconsistent with a federal law, grant agreement, or other federal requirement or with the terms of a gift or settlement agreement, net interest on all State money allocated by the State Treasurer under this section to special funds or accounts, and otherwise

entitled to receive interest earnings, as accounted for by the Comptroller, shall accrue to the General Fund of the State.

(ii) The provisions of subparagraph (i) of this paragraph do not apply to the following funds:

62. Veterans Trust Fund; [and]

63. Transportation Trust Fund; AND

**64. BALTIMORE CITY COMMUNITY ENHANCEMENT TRANSIT-ORIENTED DEVELOPMENT FUND.**

10-306.

(a) In this section, "capital asset" means an asset of a substantial permanent nature.

(b) If the consideration received for the disposition of any real or personal property of the State or any unit of the State government is other real or personal property, the real or personal property received shall be held and accounted for in the same manner as other property under the jurisdiction and control of the unit of the State government that receives the real or personal property.

(c) (1) Except as provided in [paragraph (2)] **PARAGRAPHS (2) AND (3)** of this subsection, if cash is received as consideration for the disposition of a capital asset of the State or any unit of the State government, the cash shall be applied to the State Annuity Bond Fund Account for the payment of the principal of and interest on the bonded indebtedness of the State.

**(2) IF THE CAPITAL ASSET IS REAL PROPERTY THAT IS BEING LEASED OR SOLD TO A PRIVATE PARTY FOR THE PURPOSE OF REALIZING A TRANSIT-ORIENTED DEVELOPMENT AS DEFINED UNDER § 7-101 OF THE TRANSPORTATION ARTICLE, AT THE DISCRETION OF THE STATE AGENCY THAT IS DISPOSING OF THE PROPERTY, ALL OR A PORTION OF THE CASH PROCEEDS RESULTING FROM THE TRANSACTION SHALL BE DEPOSITED IN THE BALTIMORE CITY COMMUNITY ENHANCEMENT TRANSIT-ORIENTED DEVELOPMENT FUND ESTABLISHED UNDER TITLE 15 OF THE ECONOMIC DEVELOPMENT ARTICLE FOR THE PURPOSES OF THAT FUND.**

**[(2)] (3)** (i) If cash is received as consideration for the disposition of a capital asset, and if the capital asset was originally purchased with special funds, the cash shall be applied to the special fund.

(ii) Notwithstanding subparagraph (i) of this paragraph, cash received as consideration for the disposition of helicopters, auxiliary helicopter equipment, ground support equipment, or other capital equipment related to helicopters shall be applied to the State Annuity Bond Fund Account for the payment of the principal of and interest on the bonded indebtedness of the State.

**[(3)] (4)** If cash is received as consideration for the disposition of any real or personal property of the State or any unit of the State government, other than a capital asset, the cash shall be accounted for and paid into the State Treasury.

### **Article – Transportation**

7-101.

(m) “Transit-oriented development” means a mix of private or public parking facilities, commercial and residential structures, and uses, improvements, and facilities customarily appurtenant to such facilities and uses, that:

(1) Is part of a deliberate development plan or strategy involving:

(i) Property that is adjacent to the passenger boarding and alighting location of a planned or existing transit station; or

(ii) Property, any part of which is located within one-half mile of the passenger boarding and alighting location of a planned or existing transit station;

(2) Is planned to maximize the use of transit, walking, and bicycling by residents and employees; and

(3) Is designated as a transit-oriented development by:

(i) The Secretary, after considering a recommendation of the Smart Growth Subcabinet established under § 9-1406 of the State Government Article; and

(ii) The local government or multicounty agency with land use and planning responsibility for the relevant area.

**SECTION 2. AND BE IT FURTHER ENACTED**, That this Act shall take effect October 1, 2012.

**Approved by the Governor, May 22, 2012.**