

**Department of Legislative Services**  
Maryland General Assembly  
2012 Session

**FISCAL AND POLICY NOTE**

Senate Bill 1083 (Senator Ferguson)  
Budget and Taxation

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**Maryland Consolidated Capital Bond Loan of 2010 - Baltimore City - Southeast  
Neighborhood Development Fund**

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This bill extends the deadline – from June 1, 2012, to June 1, 2013 – for the Board of Directors of Southeast Development, Inc., as grantee, to provide evidence that a matching fund will be provided for the Southeast Neighborhood Development Center project as required by the Maryland Consolidated Capital Bond Loan of 2010. The bill also specifies that the proceeds of the loan must be encumbered by the Board of Public Works or expended by the grantee by June 1, 2013.

The bill takes effect June 1, 2012.

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**Fiscal Summary**

**State Effect:** The bill does not materially affect State operations or finances.

**Local Effect:** The bill does not directly affect the finances or operations of Baltimore City.

**Small Business Effect:** None.

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**Analysis**

**Current Law:** Chapter 483 of 2010 authorized up to \$300,000 in matching funds to the Board of Directors of Southeast Development, Inc., for the renovation of the Southeast Neighborhood Development Center, located in Baltimore City. Matching funds may not consist of real property, in-kind contributions, or funds expended prior to the June 1, 2010 effective date of Chapter 483. The grantee has until June 1, 2012, to present

evidence that the required matching funds will be provided. The proceeds of the loan must be encumbered by the Board of Public Works or expended by the grantee by June 1, 2012. Chapter 483 authorized two separate grants; the bill's changes affect both grants.

**Background:** The Southeast Community Development Corporation (SCDC) provides financial and housing counseling to residences in the Baltimore metropolitan area. According to the grantee, the project will allow SCDC to expand its office space by 60% and create a new 2,000-square-foot retail space to revitalize the Highlandtown Main Street. SCDC provides financial and housing counseling services and serves as a catalyst for the Highlandtown Main Street program. SCDC operates a number of community revitalization programs in the Highlandtown area. It has obtained designation as a Baltimore Main Street and a Maryland Arts and Entertainment District and has partnered with the Baltimore Community Foundation to become a Healthy Neighborhood.

SCDC offices are in a building that was formerly owned by the Enoch Pratt Free Library, the public library system for Baltimore City. The grantee reports that it took longer for Baltimore City to transfer the building from the Enoch Pratt system to the holding company that the grantee created to own the building than originally anticipated and it also took longer than originally anticipated to acquire the required building permits. The grantee reports that it anticipates construction will begin on the project in early April 2012, as it anticipates receiving the required permits and renewed contractor bids by that time. The construction project is anticipated to take five to six months.

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### Additional Information

**Prior Introductions:** None.

**Cross File:** None; however, SB 1083 (Senator Ferguson – Budget and Taxation) and its cross file HB 1449 (Delegates Clippinger, *et al.* – Appropriations) are nearly identical.

**Information Source(s):** Department of General Services, Southeast Community Development Corporation, Department of Legislative Services

**Fiscal Note History:** First Reader - March 11, 2012  
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