

Department of Legislative Services
Maryland General Assembly
2013 Session

FISCAL AND POLICY NOTE

House Bill 118 (Delegate Clagett)
Appropriations

Maryland Consolidated Capital Bond Loan of 2011 - Frederick County - Cultural Arts Center

This bill extends the deadline – from June 1, 2013, to June 1, 2014 – for the Board of Directors of the Frederick Arts Council, Inc., as grantee, to present evidence that matching funds will be provided for the Cultural Arts Center (CAC) project as required by the Maryland Consolidated Capital Bond Loan of 2011.

The bill takes effect June 1, 2013.

Fiscal Summary

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

Local Effect: The bill does not directly affect the finances or operations of Frederick County.

Small Business Effect: None.

Analysis

Current Law: Chapter 396 of 2011 (HB 71) authorized a total of up to \$125,000 in matching funds to the Board of Directors of the Frederick Arts Council, Inc. for the acquisition and renovation of the CAC, located in Frederick. Matching funds may consist of real property, in-kind contributions, and funds expended prior to the June 1, 2011 effective date of Chapter 396. The grantee has until June 1, 2013, to *present evidence* that matching funds will be provided; however, the *proceeds* of the loans must be expended or encumbered by the Board of Public Works by December 1, 2014. If any

funds remain unexpended or unencumbered after December 1, 2014, the amount of the unexpended or unencumbered authorizations must be canceled. Chapter 396 authorized two separate grants totaling \$125,000 for this project. The bill's changes apply to both grants.

Background: The Frederick Arts Council is the umbrella arts organization for Frederick County. The mission of the organization is to be the primary catalyst for the arts and arts opportunities in the community. The organization operates the CAC, a 14,000-square-foot arts incubator and community arts space that houses a blackbox theater, rehearsal hall, and gallery. The CAC is utilized by more than 30 local groups throughout the year for theater production, dance concerts, music, and other special events as well as visual arts exhibits. The facility is in the heart of downtown Frederick, with frontage on both of the city's main streets. However, the grantee advises that it is considering selling the building to another arts organization and the status of the building restoration project is unknown.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of General Services, Frederick Arts Council, Department of Legislative Services

Fiscal Note History: First Reader - February 8, 2013
mlm/ljm

Analysis by: Caroline L. Boice

Direct Inquiries to:
(410) 946-5510
(301) 970-5510