L3 HB 1385/20 – ENT 3lr1133 CF SB 313

By: Carroll County Delegation

Introduced and read first time: February 3, 2023 Assigned to: Environment and Transportation

Committee Report: Favorable House action: Adopted Read second time: March 9, 2023

CHAPTER _____

1 AN ACT concerning

Town of Mount Airy (Carroll County and Frederick County) – Urban Renewal Authority

FOR the purpose of granting the Town of Mount Airy in Carroll County and Frederick
County the authority to exercise urban renewal powers within an urban renewal
area under Article III, Section 61 of the Maryland Constitution; authorizing the
municipality to levy certain taxes and issue general obligation bonds and revenue
bonds to carry out urban renewal powers; and generally relating to urban renewal
authority for slum and blight clearance for the Town of Mount Airy in Carroll County
and Frederick County.

- 11 BY adding to
- 12 Chapter 99 Charter of the Town of Mount Airy
- Section A1–101 through A1–114 to be under the new heading "Appendix I Urban
 Renewal Authority for Slum Clearance"
- 15 Public Local Laws of Maryland Compilation of Municipal Charters
- 16 (2014 Replacement Edition, Revisions Current as of November 2021)

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

19Chapter 99 – Charter of the Town of Mount Airy

20 APPENDIX I – URBAN RENEWAL AUTHORITY FOR SLUM CLEARANCE

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

<u>Underlining</u> indicates amendments to bill.

Strike out indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 **A1–101. DEFINITIONS.**

2 (A) IN THIS APPENDIX THE FOLLOWING WORDS HAVE THE MEANINGS 3 INDICATED.

4 (B) "BLIGHTED AREA" MEANS AN AREA OR SINGLE PROPERTY IN WHICH 5 THE BUILDING OR BUILDINGS HAVE DECLINED IN PRODUCTIVITY BY REASON OF 6 OBSOLESCENCE, DEPRECIATION, OR OTHER CAUSES TO AN EXTENT THEY NO 7 LONGER JUSTIFY FUNDAMENTAL REPAIRS AND ADEQUATE MAINTENANCE.

8 (C) "BONDS" MEANS ANY BONDS (INCLUDING REFUNDING BONDS), NOTES, 9 INTERIM CERTIFICATES, CERTIFICATES OF INDEBTEDNESS, DEBENTURES, OR 10 OTHER OBLIGATIONS.

11 (D) "FEDERAL GOVERNMENT" MEANS THE UNITED STATES OF AMERICA OR 12 ANY AGENCY OR INSTRUMENTALITY, CORPORATE OR OTHERWISE, OF THE UNITED 13 STATES OF AMERICA.

14 (E) "MUNICIPALITY" MEANS THE TOWN OF MOUNT AIRY, MARYLAND.

15 (F) "PERSON" MEANS ANY INDIVIDUAL, FIRM, PARTNERSHIP, 16 CORPORATION, COMPANY, ASSOCIATION, JOINT STOCK ASSOCIATION, OR BODY 17 POLITIC. IT INCLUDES ANY TRUSTEE, RECEIVER, ASSIGNEE, OR OTHER PERSON 18 ACTING IN SIMILAR REPRESENTATIVE CAPACITY.

19 "SLUM AREA" MEANS ANY AREA OR SINGLE PROPERTY WHERE (G) 20DWELLINGS PREDOMINATE WHICH. BY REASON OF **DEPRECIATION**, 21OVERCROWDING, FAULTY ARRANGEMENT OR DESIGN, LACK OF VENTILATION, 22LIGHT, OR SANITARY FACILITIES, OR ANY COMBINATION OF THESE FACTORS, ARE DETRIMENTAL TO THE PUBLIC SAFETY, HEALTH, OR MORALS. 23

(H) "URBAN RENEWAL AREA" MEANS A SLUM AREA OR A BLIGHTED AREA OR
A COMBINATION OF THEM WHICH THE MUNICIPALITY DESIGNATES AS APPROPRIATE
FOR AN URBAN RENEWAL PROJECT.

(I) "URBAN RENEWAL PLAN" MEANS A PLAN, AS IT EXISTS FROM TIME TO
TIME, FOR AN URBAN RENEWAL PROJECT. THE PLAN SHALL BE SUFFICIENTLY
COMPLETE TO INDICATE ANY LAND ACQUISITION, DEMOLITION, AND REMOVAL OF
STRUCTURES, REDEVELOPMENT, IMPROVEMENTS, AND REHABILITATION AS MAY BE
PROPOSED TO BE CARRIED OUT IN THE URBAN RENEWAL AREA, ZONING AND
PLANNING CHANGES, IF ANY, LAND USES, MAXIMUM DENSITY, AND BUILDING
REQUIREMENTS.

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1 (J) "URBAN RENEWAL PROJECT" MEANS UNDERTAKINGS AND ACTIVITIES 2 OF A MUNICIPALITY IN AN URBAN RENEWAL AREA FOR THE ELIMINATION AND FOR 3 THE PREVENTION OF THE DEVELOPMENT OR SPREAD OF SLUMS AND BLIGHT, AND 4 MAY INVOLVE SLUM CLEARANCE AND REDEVELOPMENT IN AN URBAN RENEWAL 5 AREA, OR REHABILITATION OR CONSERVATION IN AN URBAN RENEWAL AREA, OR 6 ANY COMBINATION OR PART OF THEM IN ACCORDANCE WITH AN URBAN RENEWAL 7 PLAN. THESE UNDERTAKINGS AND ACTIVITIES MAY INCLUDE:

8 (1) ACQUISITION OF A SLUM AREA OR A BLIGHTED AREA OR PORTION 9 OF THEM;

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(2) **DEMOLITION AND REMOVAL OF BUILDINGS AND IMPROVEMENTS;**

11 (3) INSTALLATION, CONSTRUCTION OR RECONSTRUCTION OF 12 STREETS, UTILITIES, PARKS, PLAYGROUNDS, AND OTHER IMPROVEMENTS 13 NECESSARY FOR CARRYING OUT THE URBAN RENEWAL OBJECTIVES OF THIS 14 APPENDIX IN ACCORDANCE WITH THE URBAN RENEWAL PLAN;

15 (4) DISPOSITION OF ANY PROPERTY ACQUIRED IN THE URBAN 16 RENEWAL AREA, INCLUDING SALE, INITIAL LEASING, OR RETENTION BY THE 17 MUNICIPALITY ITSELF, AT ITS FAIR VALUE FOR USES IN ACCORDANCE WITH THE 18 URBAN RENEWAL PLAN;

19(5)CARRYING OUT PLANS FOR A PROGRAM OF VOLUNTARY OR20COMPULSORY REPAIR AND REHABILITATION OF BUILDINGS OR OTHER21IMPROVEMENTS IN ACCORDANCE WITH THE URBAN RENEWAL PLAN;

(6) ACQUISITION OF ANY OTHER REAL PROPERTY IN THE URBAN
RENEWAL AREA WHERE NECESSARY TO ELIMINATE UNHEALTHFUL, UNSANITARY,
OR UNSAFE CONDITIONS, LESSEN DENSITY, ELIMINATE OBSOLETE OR OTHER USES
DETRIMENTAL TO THE PUBLIC WELFARE, OR OTHERWISE TO REMOVE OR PREVENT
THE SPREAD OF BLIGHT OR DETERIORATION, OR TO PROVIDE LAND FOR NEEDED
PUBLIC FACILITIES; AND

28 (7) THE PRESERVATION, IMPROVEMENT, OR EMBELLISHMENT OF 29 HISTORIC STRUCTURES OR MONUMENTS.

30 **A1–102. POWERS.**

31(A)THE MUNICIPALITY MAY UNDERTAKE AND CARRY OUT URBAN RENEWAL32PROJECTS.

33 (B) THESE PROJECTS SHALL BE LIMITED:

1 (1) TO SLUM CLEARANCE IN SLUM OR BLIGHTED AREAS AND 2 REDEVELOPMENT OR THE REHABILITATION OF SLUM OR BLIGHTED AREAS;

3 (2) TO ACQUIRE IN CONNECTION WITH THOSE PROJECTS, WITHIN
4 THE CORPORATE LIMITS OF THE MUNICIPALITY, LAND AND PROPERTY OF EVERY
5 KIND AND ANY RIGHT, INTEREST, FRANCHISE, EASEMENT, OR PRIVILEGE,
6 INCLUDING LAND OR PROPERTY AND ANY RIGHT OR INTEREST ALREADY DEVOTED
7 TO PUBLIC USE, BY PURCHASE, LEASE, GIFT, CONDEMNATION, OR ANY OTHER LEGAL
8 MEANS; AND

9 (3) TO SELL, LEASE, CONVEY, TRANSFER, OR OTHERWISE DISPOSE OF 10 ANY OF THE LAND OR PROPERTY, REGARDLESS OF WHETHER OR NOT IT HAS BEEN 11 DEVELOPED, REDEVELOPED, ALTERED, OR IMPROVED AND IRRESPECTIVE OF THE 12 MANNER OR MEANS IN OR BY WHICH IT MAY HAVE BEEN ACQUIRED, TO ANY PRIVATE, 13 PUBLIC, OR QUASI–PUBLIC CORPORATION, PARTNERSHIP, ASSOCIATION, PERSON, 14 OR OTHER LEGAL ENTITY.

15 (C) LAND OR PROPERTY TAKEN BY THE MUNICIPALITY FOR ANY OF THESE 16 PURPOSES OR IN CONNECTION WITH THE EXERCISE OF ANY OF THE POWERS WHICH 17 ARE GRANTED BY THIS APPENDIX TO THE MUNICIPALITY BY EXERCISING THE 18 POWER OF EMINENT DOMAIN MAY NOT BE TAKEN WITHOUT JUST COMPENSATION, 19 AS AGREED ON BETWEEN THE PARTIES, OR AWARDED BY A JURY, BEING FIRST PAID 20 OR TENDERED TO THE PARTY ENTITLED TO THE COMPENSATION.

(D) ALL LAND OR PROPERTY NEEDED OR TAKEN BY THE EXERCISE OF THE
POWER OF EMINENT DOMAIN BY THE MUNICIPALITY FOR ANY OF THESE PURPOSES
OR IN CONNECTION WITH THE EXERCISE OF ANY OF THE POWERS GRANTED BY THIS
APPENDIX IS DECLARED TO BE NEEDED OR TAKEN FOR PUBLIC USES AND
PURPOSES.

(E) ANY OR ALL OF THE ACTIVITIES AUTHORIZED PURSUANT TO THIS
APPENDIX CONSTITUTE GOVERNMENTAL FUNCTIONS UNDERTAKEN FOR PUBLIC
USES AND PURPOSES AND THE POWER OF TAXATION MAY BE EXERCISED, PUBLIC
FUNDS EXPENDED, AND PUBLIC CREDIT EXTENDED IN FURTHERANCE OF THEM.

30 A1–103. ADDITIONAL POWERS.

THE MUNICIPALITY HAS THE FOLLOWING ADDITIONAL POWERS. THESE POWERS ARE DECLARED TO BE NECESSARY AND PROPER TO CARRY INTO FULL FORCE AND EFFECT THE SPECIFIC POWERS GRANTED IN THIS APPENDIX AND TO FULLY ACCOMPLISH THE PURPOSES AND OBJECTS CONTEMPLATED BY THE PROVISIONS OF THIS SECTION:

1 (1) TO MAKE OR HAVE MADE ALL SURVEYS AND PLANS NECESSARY TO 2 THE CARRYING OUT OF THE PURPOSES OF THIS APPENDIX AND TO ADOPT OR 3 APPROVE, MODIFY, AND AMEND THOSE PLANS. THESE PLANS MAY INCLUDE, BUT 4 ARE NOT LIMITED TO:

5(I)PLANS FOR CARRYING OUT A PROGRAM OF VOLUNTARY OR6COMPULSORY REPAIR AND REHABILITATION OF BUILDINGS AND IMPROVEMENTS;

7 PLANS FOR **(II)** THE ENFORCEMENT OF CODES AND 8 **REGULATIONS RELATING TO THE USE OF LAND AND THE USE AND OCCUPANCY OF** 9 BUILDINGS AND IMPROVEMENTS AND TO THE COMPULSORY **REPAIR.** 10 **REHABILITATION, DEMOLITION, OR REMOVAL OF BUILDINGS AND IMPROVEMENTS;** 11 AND

12 (III) APPRAISALS, TITLE SEARCHES, SURVEYS, STUDIES, AND 13 OTHER PLANS AND WORK NECESSARY TO PREPARE FOR THE UNDERTAKING OF 14 URBAN RENEWAL PROJECTS AND RELATED ACTIVITIES; AND TO APPLY FOR, 15 ACCEPT, AND UTILIZE GRANTS OF FUNDS FROM THE FEDERAL GOVERNMENT OR 16 OTHER GOVERNMENTAL ENTITY FOR THOSE PURPOSES;

17 (2) TO PREPARE PLANS FOR THE RELOCATION OF PERSONS 18 (INCLUDING FAMILIES, BUSINESS CONCERNS, AND OTHERS) DISPLACED FROM AN 19 URBAN RENEWAL AREA, AND TO MAKE RELOCATION PAYMENTS TO OR WITH 20 RESPECT TO THOSE PERSONS FOR MOVING EXPENSES AND LOSSES OF PROPERTY 21 FOR WHICH REIMBURSEMENT OR COMPENSATION IS NOT OTHERWISE MADE, 22 INCLUDING THE MAKING OF PAYMENTS FINANCED BY THE FEDERAL GOVERNMENT;

(3) TO APPROPRIATE WHATEVER FUNDS AND MAKE WHATEVER
EXPENDITURES AS MAY BE NECESSARY TO CARRY OUT THE PURPOSES OF THIS
APPENDIX, INCLUDING, BUT NOT LIMITED:

26**(I)** TO THE PAYMENT OF ANY AND ALL COSTS AND EXPENSES 27INCURRED IN CONNECTION WITH, OR INCIDENTAL TO, THE ACQUISITION OF LAND 28OR PROPERTY, AND FOR THE DEMOLITION, REMOVAL, RELOCATION, RENOVATION, 29OR ALTERATION OF LAND, BUILDINGS, STREETS, HIGHWAYS, ALLEYS, UTILITIES, OR SERVICES, AND OTHER STRUCTURES OR IMPROVEMENTS, AND FOR THE 30 31 CONSTRUCTION, RECONSTRUCTION, INSTALLATION, RELOCATION, OR REPAIR OF 32STREETS, HIGHWAYS, ALLEYS, UTILITIES, OR SERVICES, IN CONNECTION WITH 33 **URBAN RENEWAL PROJECTS:**

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(II) TO LEVY TAXES AND ASSESSMENTS FOR THOSE PURPOSES;

1 (III) TO BORROW MONEY AND TO APPLY FOR AND ACCEPT 2 ADVANCES, LOANS, GRANTS, CONTRIBUTIONS, AND ANY OTHER FORM OF FINANCIAL 3 ASSISTANCE FROM THE FEDERAL GOVERNMENT, THE STATE, COUNTY, OR OTHER 4 PUBLIC BODIES, OR FROM ANY SOURCES, PUBLIC OR PRIVATE, FOR THE PURPOSES 5 OF THIS APPENDIX, AND TO GIVE WHATEVER SECURITY AS MAY BE REQUIRED FOR 6 THIS FINANCIAL ASSISTANCE; AND

7 (IV) TO INVEST ANY URBAN RENEWAL FUNDS HELD IN RESERVES 8 OR SINKING FUNDS OR ANY OF THESE FUNDS NOT REQUIRED FOR IMMEDIATE 9 DISBURSEMENT IN PROPERTY OR SECURITIES WHICH ARE LEGAL INVESTMENTS FOR 10 OTHER MUNICIPAL FUNDS;

11 (4) (I) TO HOLD, IMPROVE, CLEAR, OR PREPARE FOR 12 REDEVELOPMENT ANY PROPERTY ACQUIRED IN CONNECTION WITH URBAN 13 RENEWAL PROJECTS;

14(II) TO MORTGAGE, PLEDGE, HYPOTHECATE, OR OTHERWISE15ENCUMBER THAT PROPERTY; AND

16 (III) TO INSURE OR PROVIDE FOR THE INSURANCE OF THE 17 PROPERTY OR OPERATIONS OF THE MUNICIPALITY AGAINST ANY RISKS OR 18 HAZARDS, INCLUDING THE POWER TO PAY PREMIUMS ON ANY INSURANCE;

19TO MAKE AND EXECUTE ALL CONTRACTS AND OTHER (5) 20INSTRUMENTS NECESSARY OR CONVENIENT TO THE EXERCISE OF ITS POWERS UNDER THIS APPENDIX, INCLUDING THE POWER TO ENTER INTO AGREEMENTS WITH 2122OTHER PUBLIC BODIES OR AGENCIES (THESE AGREEMENTS MAY EXTEND OVER ANY 23PERIOD, NOTWITHSTANDING ANY PROVISION OR RULE OF LAW TO THE CONTRARY), 24AND TO INCLUDE IN ANY CONTRACT FOR FINANCIAL ASSISTANCE WITH THE 25FEDERAL GOVERNMENT FOR OR WITH RESPECT TO AN URBAN RENEWAL PROJECT 26AND RELATED ACTIVITIES ANY CONDITIONS IMPOSED PURSUANT TO FEDERAL LAWS 27AS THE MUNICIPALITY CONSIDERS REASONABLE AND APPROPRIATE;

(6) TO ENTER INTO ANY BUILDING OR PROPERTY IN ANY URBAN
RENEWAL AREA IN ORDER TO MAKE INSPECTIONS, SURVEYS, APPRAISALS,
SOUNDINGS, OR TEST BORINGS, AND TO OBTAIN AN ORDER FOR THIS PURPOSE FROM
THE CIRCUIT COURT FOR THE COUNTY IN WHICH THE MUNICIPALITY IS SITUATED IN
THE EVENT ENTRY IS DENIED OR RESISTED;

(7) TO PLAN, REPLAN, INSTALL, CONSTRUCT, RECONSTRUCT,
 REPAIR, CLOSE, OR VACATE STREETS, ROADS, SIDEWALKS, PUBLIC UTILITIES,
 PARKS, PLAYGROUNDS, AND OTHER PUBLIC IMPROVEMENTS IN CONNECTION WITH
 AN URBAN RENEWAL PROJECT; AND TO MAKE EXCEPTIONS FROM BUILDING

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1 **REGULATIONS;**

2 (8) TO GENERALLY ORGANIZE, COORDINATE, AND DIRECT THE 3 ADMINISTRATION OF THE PROVISIONS OF THIS APPENDIX AS THEY APPLY TO THE 4 MUNICIPALITY IN ORDER THAT THE OBJECTIVE OF REMEDYING SLUM AND 5 BLIGHTED AREAS AND PREVENTING ITS CAUSES WITHIN THE MUNICIPALITY MAY BE 6 PROMOTED AND ACHIEVED MOST EFFECTIVELY; AND

7 (9) TO EXERCISE ALL OR ANY PART OR COMBINATION OF THE 8 POWERS GRANTED IN THIS APPENDIX.

9 A1-104. ESTABLISHMENT OF URBAN RENEWAL AGENCY.

10 (A) A MUNICIPALITY MAY ITSELF EXERCISE ALL THE POWERS GRANTED BY 11 THIS APPENDIX, OR MAY, IF ITS LEGISLATIVE BODY BY ORDINANCE DETERMINES 12 THE ACTION TO BE IN THE PUBLIC INTEREST, ELECT TO HAVE THE POWERS 13 EXERCISED BY A SEPARATE PUBLIC BODY OR AGENCY.

14 **(B)** IN THE EVENT THE LEGISLATIVE BODY MAKES THAT DETERMINATION, 15 IT SHALL PROCEED BY ORDINANCE TO ESTABLISH A PUBLIC BODY OR AGENCY TO 16 UNDERTAKE IN THE MUNICIPALITY THE ACTIVITIES AUTHORIZED BY THIS 17 APPENDIX.

18 (C) THE ORDINANCE SHALL INCLUDE PROVISIONS ESTABLISHING THE 19 NUMBER OF MEMBERS OF THE PUBLIC BODY OR AGENCY, THE MANNER OF THEIR 20 APPOINTMENT AND REMOVAL, AND THE TERMS OF THE MEMBERS AND THEIR 21 COMPENSATION.

(D) THE ORDINANCE MAY INCLUDE WHATEVER ADDITIONAL PROVISIONS
 RELATING TO THE ORGANIZATION OF THE PUBLIC BODY OR AGENCY AS MAY BE
 NECESSARY.

(E) IN THE EVENT THE LEGISLATIVE BODY ENACTS THIS ORDINANCE, ALL
OF THE POWERS BY THIS APPENDIX GRANTED TO THE MUNICIPALITY, FROM THE
EFFECTIVE DATE OF THE ORDINANCE, ARE VESTED IN THE PUBLIC BODY OR AGENCY
ESTABLISHED BY THE ORDINANCE.

29 A1–105. POWERS WITHHELD FROM THE AGENCY.

THE AGENCY MAY NOT:

31(1) PASS A RESOLUTION TO INITIATE AN URBAN RENEWAL PROJECT32PURSUANT TO SECTIONS A1-102 AND A1-103 OF THIS APPENDIX;

1 (2) ISSUE GENERAL OBLIGATION BONDS PURSUANT TO SECTION 2 A1-111 OF THIS APPENDIX; OR

3 (3) APPROPRIATE FUNDS OR LEVY TAXES AND ASSESSMENTS 4 PURSUANT TO SECTION A1–103(3) OF THIS APPENDIX.

5 A1-106. INITIATION OF PROJECT.

6 IN ORDER TO INITIATE AN URBAN RENEWAL PROJECT, THE LEGISLATIVE 7 BODY OF THE MUNICIPALITY SHALL ADOPT A RESOLUTION WHICH:

8 (1) FINDS THAT ONE OR MORE SLUM OR BLIGHTED AREAS EXIST IN 9 THE MUNICIPALITY;

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(2) LOCATES AND DEFINES THE SLUM OR BLIGHTED AREA; AND

11 (3) FINDS THAT THE REHABILITATION, REDEVELOPMENT, OR A 12 COMBINATION OF THEM, OF THE AREA OR AREAS, IS NECESSARY AND IN THE 13 INTEREST OF THE PUBLIC HEALTH, SAFETY, MORALS, OR WELFARE OF THE 14 RESIDENTS OF THE MUNICIPALITY.

15 A1–107. PREPARATION AND APPROVAL OF PLAN FOR URBAN RENEWAL PROJECT.

IN ORDER TO CARRY OUT THE PURPOSES OF THIS APPENDIX, THE 16 (A) MUNICIPALITY SHALL HAVE PREPARED AN URBAN RENEWAL PLAN FOR SLUM OR 1718 BLIGHTED AREAS IN THE MUNICIPALITY, AND SHALL APPROVE THE PLAN 19 FORMALLY. THE MUNICIPALITY SHALL HOLD A PUBLIC HEARING ON AN URBAN 20**RENEWAL PROJECT AFTER PUBLIC NOTICE OF IT BY PUBLICATION IN A NEWSPAPER** 21HAVING A GENERAL CIRCULATION WITHIN THE CORPORATE LIMITS OF THE MUNICIPALITY. THE NOTICE SHALL DESCRIBE THE TIME, DATE, PLACE, AND 2223PURPOSE OF THE HEARING, SHALL GENERALLY IDENTIFY THE URBAN RENEWAL 24AREA COVERED BY THE PLAN, AND SHALL OUTLINE THE GENERAL SCOPE OF THE URBAN RENEWAL PROJECT UNDER CONSIDERATION. FOLLOWING THE HEARING, 2526THE MUNICIPALITY MAY APPROVE AN URBAN RENEWAL PROJECT AND THE PLAN 27THEREFOR IF IT FINDS THAT:

(1) A FEASIBLE METHOD EXISTS FOR THE LOCATION OF ANY
FAMILIES OR NATURAL PERSONS WHO WILL BE DISPLACED FROM THE URBAN
RENEWAL AREA IN DECENT, SAFE, AND SANITARY DWELLING ACCOMMODATIONS
WITHIN THEIR MEANS AND WITHOUT UNDUE HARDSHIP TO THE FAMILIES OR
NATURAL PERSONS;

1(2)THE URBAN RENEWAL PLAN CONFORMS SUBSTANTIALLY TO THE2MASTER PLAN OF THE MUNICIPALITY AS A WHOLE; AND

3 (3) THE URBAN RENEWAL PLAN WILL AFFORD MAXIMUM
4 OPPORTUNITY, CONSISTENT WITH THE SOUND NEEDS OF THE MUNICIPALITY AS A
5 WHOLE, FOR THE REHABILITATION OR REDEVELOPMENT OF THE URBAN RENEWAL
6 AREA BY PRIVATE ENTERPRISE.

7 **(B)** AN URBAN RENEWAL PLAN MAY BE MODIFIED AT ANY TIME. IF 8 MODIFIED AFTER THE LEASE OR SALE OF REAL PROPERTY IN THE URBAN RENEWAL PROJECT AREA, THE MODIFICATION MAY BE CONDITIONED ON WHATEVER 9 APPROVAL OF THE OWNER, LESSEE, OR SUCCESSOR IN INTEREST AS THE 10 MUNICIPALITY CONSIDERS ADVISABLE. IN ANY EVENT, IT SHALL BE SUBJECT TO 11 WHATEVER RIGHTS AT LAW OR IN EQUITY AS A LESSEE OR PURCHASER, OR THE 1213SUCCESSOR OR SUCCESSORS IN INTEREST, MAY BE ENTITLED TO ASSERT. WHERE 14THE PROPOSED MODIFICATION WILL CHANGE SUBSTANTIALLY THE URBAN 15RENEWAL PLAN AS APPROVED PREVIOUSLY BY THE MUNICIPALITY, THE MODIFICATION SHALL BE APPROVED FORMALLY BY THE MUNICIPALITY, AS IN THE 1617CASE OF AN ORIGINAL PLAN.

18 (C) ON THE APPROVAL BY THE MUNICIPALITY OF AN URBAN RENEWAL PLAN 19 OR OF ANY MODIFICATION OF IT, THE PLAN OR MODIFICATION SHALL BE 20 CONSIDERED TO BE IN FULL FORCE AND EFFECT FOR THE RESPECTIVE URBAN 21 RENEWAL AREA. THE MUNICIPALITY MAY HAVE THE PLAN OR MODIFICATION 22 CARRIED OUT IN ACCORDANCE WITH ITS TERMS.

23 A1-108. DISPOSAL OF PROPERTY IN URBAN RENEWAL AREA.

24(A) THE MUNICIPALITY, BY ORDINANCE, MAY SELL, LEASE, OR OTHERWISE 25TRANSFER REAL PROPERTY OR ANY INTEREST IN IT ACQUIRED BY IT FOR AN URBAN RENEWAL PROJECT TO ANY PERSON FOR RESIDENTIAL, RECREATIONAL, 2627COMMERCIAL, INDUSTRIAL, EDUCATIONAL, OR OTHER USES OR FOR PUBLIC USE, OR 28IT MAY RETAIN THE PROPERTY OR INTEREST FOR PUBLIC USE, IN ACCORDANCE 29WITH THE URBAN RENEWAL PLAN AND SUBJECT TO WHATEVER COVENANTS, CONDITIONS, AND RESTRICTIONS, INCLUDING COVENANTS RUNNING WITH THE 30 LAND, AS IT CONSIDERS NECESSARY OR DESIRABLE TO ASSIST IN PREVENTING THE 3132DEVELOPMENT OR SPREAD OF FUTURE SLUMS OR BLIGHTED AREAS OR TO OTHERWISE CARRY OUT THE PURPOSES OF THIS APPENDIX. THE PURCHASERS OR 33 34LESSEES AND THEIR SUCCESSORS AND ASSIGNS SHALL BE OBLIGATED TO DEVOTE THE REAL PROPERTY ONLY TO THE USES SPECIFIED IN THE URBAN RENEWAL PLAN, 35 36 AND MAY BE OBLIGATED TO COMPLY WITH WHATEVER OTHER REQUIREMENTS THE 37MUNICIPALITY DETERMINES TO BE IN THE PUBLIC INTEREST, INCLUDING THE 38 OBLIGATION TO BEGIN WITHIN A REASONABLE TIME ANY IMPROVEMENTS ON THE

REAL PROPERTY REQUIRED BY THE URBAN RENEWAL PLAN. THE REAL PROPERTY 1 $\mathbf{2}$ OR INTEREST MAY NOT BE SOLD, LEASED, OTHERWISE TRANSFERRED, OR RETAINED 3 AT LESS THAN ITS FAIR VALUE FOR USES IN ACCORDANCE WITH THE URBAN 4 RENEWAL PLAN. IN DETERMINING THE FAIR VALUE OF REAL PROPERTY FOR USES IN ACCORDANCE WITH THE URBAN RENEWAL PLAN, THE MUNICIPALITY SHALL TAKE $\mathbf{5}$ 6 INTO ACCOUNT AND GIVE CONSIDERATION TO THE USES PROVIDED IN THE PLAN, 7 THE RESTRICTIONS ON, AND THE COVENANTS, CONDITIONS, AND OBLIGATIONS 8 ASSUMED BY THE PURCHASER OR LESSEE OR BY THE MUNICIPALITY RETAINING THE 9 PROPERTY, AND THE OBJECTIVES OF THE PLAN FOR THE PREVENTION OF THE **RECURRENCE OF SLUM OR BLIGHTED AREAS. IN ANY INSTRUMENT OR CONVEYANCE** 10 TO A PRIVATE PURCHASER OR LESSEE, THE MUNICIPALITY MAY PROVIDE THAT THE 11 12PURCHASER OR LESSEE MAY NOT SELL, LEASE, OR OTHERWISE TRANSFER THE REAL PROPERTY WITHOUT THE PRIOR WRITTEN CONSENT OF THE MUNICIPALITY UNTIL 13THE PURCHASER OR LESSEE HAS COMPLETED THE CONSTRUCTION OF ANY OR ALL 1415IMPROVEMENTS WHICH THE PURCHASER OR LESSEE HAS BEEN OBLIGATED TO 16 CONSTRUCT ON THE PROPERTY. REAL PROPERTY ACQUIRED BY THE MUNICIPALITY WHICH, IN ACCORDANCE WITH THE PROVISIONS OF THE URBAN RENEWAL PLAN, IS 17TO BE TRANSFERRED, SHALL BE TRANSFERRED AS RAPIDLY AS FEASIBLE IN THE 1819 PUBLIC INTEREST CONSISTENT WITH THE CARRYING OUT OF THE PROVISIONS OF 20THE URBAN RENEWAL PLAN. ANY CONTRACT FOR THE TRANSFER AND THE URBAN 21RENEWAL PLAN (OR ANY PART OR PARTS OF THE CONTRACT OR PLAN AS THE 22MUNICIPALITY DETERMINES) MAY BE RECORDED IN THE LAND RECORDS OF THE 23COUNTY IN WHICH THE MUNICIPALITY IS SITUATED IN A MANNER SO AS TO AFFORD 24ACTUAL OR CONSTRUCTIVE NOTICE OF IT.

25**(B)** THE MUNICIPALITY, BY ORDINANCE, MAY DISPOSE OF REAL PROPERTY 26IN AN URBAN RENEWAL AREA TO PRIVATE PERSONS. THE MUNICIPALITY MAY, BY 27PUBLIC NOTICE BY PUBLICATION IN A NEWSPAPER HAVING A GENERAL 28CIRCULATION IN THE COMMUNITY, INVITE PROPOSALS FROM AND MAKE AVAILABLE 29ALL PERTINENT INFORMATION TO PRIVATE REDEVELOPERS OR ANY PERSONS INTERESTED IN UNDERTAKING TO REDEVELOP OR REHABILITATE AN URBAN 30 31 RENEWAL AREA, OR ANY PART THEREOF. THE NOTICE SHALL IDENTIFY THE AREA, 32OR PORTION THEREOF, AND SHALL STATE THAT PROPOSALS SHALL BE MADE BY 33 THOSE INTERESTED WITHIN A SPECIFIED PERIOD. THE MUNICIPALITY SHALL CONSIDER ALL REDEVELOPMENT OR REHABILITATION PROPOSALS AND THE 34FINANCIAL AND LEGAL ABILITY OF THE PERSONS MAKING PROPOSALS TO CARRY 35 THEM OUT, AND MAY NEGOTIATE WITH ANY PERSONS FOR PROPOSALS FOR THE 36 PURCHASE, LEASE, OR OTHER TRANSFER OF ANY REAL PROPERTY ACQUIRED BY 37 38 THE MUNICIPALITY IN THE URBAN RENEWAL AREA. THE MUNICIPALITY MAY ACCEPT ANY PROPOSAL AS IT DEEMS TO BE IN THE PUBLIC INTEREST AND IN FURTHERANCE 3940OF THE PURPOSES OF THIS APPENDIX. THEREAFTER, THE MUNICIPALITY MAY 41 EXECUTE AND DELIVER CONTRACTS, DEEDS, LEASES, AND OTHER INSTRUMENTS 42AND TAKE ALL STEPS NECESSARY TO EFFECTUATE THE TRANSFERS.

1 (C) THE MUNICIPALITY MAY OPERATE TEMPORARILY AND MAINTAIN REAL 2 PROPERTY ACQUIRED BY IT IN AN URBAN RENEWAL AREA FOR OR IN CONNECTION 3 WITH AN URBAN RENEWAL PROJECT PENDING THE DISPOSITION OF THE PROPERTY 4 AS AUTHORIZED IN THIS APPENDIX, WITHOUT REGARD TO THE PROVISIONS OF 5 SUBSECTION (A) OF THIS SECTION, FOR USES AND PURPOSES CONSIDERED 6 DESIRABLE EVEN THOUGH NOT IN CONFORMITY WITH THE URBAN RENEWAL PLAN.

7 (D) ANY INSTRUMENT EXECUTED BY THE MUNICIPALITY AND PURPORTING 8 TO CONVEY ANY RIGHT, TITLE, OR INTEREST IN ANY PROPERTY UNDER THIS 9 APPENDIX SHALL BE PRESUMED CONCLUSIVELY TO HAVE BEEN EXECUTED IN 10 COMPLIANCE WITH THE PROVISIONS OF THIS APPENDIX INSOFAR AS TITLE OR 11 OTHER INTEREST OF ANY BONA FIDE PURCHASERS, LESSEES, OR TRANSFEREES OF 12 THE PROPERTY IS CONCERNED.

13 **A1–109. Eminent domain.**

14 CONDEMNATION OF LAND OR PROPERTY UNDER THE PROVISIONS OF THIS 15 APPENDIX SHALL BE IN ACCORDANCE WITH THE PROCEDURE PROVIDED IN THE 16 REAL PROPERTY ARTICLE OF THE ANNOTATED CODE OF MARYLAND.

17 A1–110. ENCOURAGEMENT OF PRIVATE ENTERPRISE.

18 THE MUNICIPALITY, TO THE EXTENT IT DETERMINES TO BE FEASIBLE IN 19 CARRYING OUT THE PROVISIONS OF THIS APPENDIX, SHALL AFFORD MAXIMUM 20 OPPORTUNITY TO THE REHABILITATION OR REDEVELOPMENT OF ANY URBAN 21 RENEWAL AREA BY PRIVATE ENTERPRISE CONSISTENT WITH THE SOUND NEEDS OF 22 THE MUNICIPALITY AS A WHOLE. THE MUNICIPALITY SHALL GIVE CONSIDERATION 23 TO THIS OBJECTIVE IN EXERCISING ITS POWERS UNDER THIS APPENDIX.

24 A1–111. GENERAL OBLIGATION BONDS.

For the purpose of financing and carrying out an urban renewal project and related activities, the municipality may issue and sell its general obligation bonds. Any bonds issued by the municipality pursuant to this section shall be issued in the manner and within the limitations prescribed by applicable law for the issuance and authorization of general obligation bonds by the municipality, and also within limitations determined by the municipality.

32 **A1–112. REVENUE BONDS.**

33 (A) IN ADDITION TO THE AUTHORITY CONFERRED BY SECTION A1–111 OF

1 THIS APPENDIX, THE MUNICIPALITY MAY ISSUE REVENUE BONDS TO FINANCE THE $\mathbf{2}$ UNDERTAKING OF ANY URBAN RENEWAL PROJECT AND RELATED ACTIVITIES. ALSO, 3 IT MAY ISSUE REFUNDING BONDS FOR THE PAYMENT OR RETIREMENT OF THE BONDS ISSUED PREVIOUSLY BY IT. THE BONDS SHALL BE MADE PAYABLE, AS TO 4 BOTH PRINCIPAL AND INTEREST, SOLELY FROM THE INCOME, PROCEEDS, $\mathbf{5}$ REVENUES, AND FUNDS OF THE MUNICIPALITY DERIVED FROM OR HELD IN 6 7 CONNECTION WITH THE UNDERTAKING AND CARRYING OUT OF URBAN RENEWAL PROJECTS UNDER THIS APPENDIX. HOWEVER, PAYMENT OF THE BONDS, BOTH AS 8 9 TO PRINCIPAL AND INTEREST, MAY BE FURTHER SECURED BY A PLEDGE OF ANY LOAN, GRANT, OR CONTRIBUTION FROM THE FEDERAL GOVERNMENT OR OTHER 10 SOURCE, IN AID OF ANY URBAN RENEWAL PROJECTS OF THE MUNICIPALITY UNDER 11 12THIS APPENDIX, AND BY A MORTGAGE OF ANY URBAN RENEWAL PROJECT, OR ANY PART OF A PROJECT, TITLE TO WHICH IS IN THE MUNICIPALITY. IN ADDITION, THE 13MUNICIPALITY MAY ENTER INTO AN INDENTURE OF TRUST WITH ANY PRIVATE 1415BANKING INSTITUTION OF THIS STATE HAVING TRUST POWERS AND MAY MAKE IN 16 THE INDENTURE OF TRUST COVENANTS AND COMMITMENTS REQUIRED BY ANY 17PURCHASER FOR THE ADEQUATE SECURITY OF THE BONDS.

BONDS ISSUED UNDER THIS SECTION DO NOT CONSTITUTE AN 18 **(B)** INDEBTEDNESS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY 19 20DEBT LIMITATION OR RESTRICTION, ARE NOT SUBJECT TO THE PROVISIONS OF ANY OTHER LAW OR CHARTER RELATING TO THE AUTHORIZATION, ISSUANCE, OR SALE 2122OF BONDS, AND ARE EXEMPTED SPECIFICALLY FROM THE RESTRICTIONS CONTAINED IN §§ 19-205 AND 19-206 OF THE LOCAL GOVERNMENT ARTICLE OF 23THE ANNOTATED CODE OF MARYLAND. BONDS ISSUED UNDER THE PROVISIONS OF 24THIS APPENDIX ARE DECLARED TO BE ISSUED FOR AN ESSENTIAL PUBLIC AND 2526GOVERNMENTAL PURPOSE AND, TOGETHER WITH INTEREST ON THEM AND INCOME 27FROM THEM, ARE EXEMPT FROM ALL TAXES.

(C) BONDS ISSUED UNDER THIS SECTION SHALL BE AUTHORIZED BY
RESOLUTION OR ORDINANCE OF THE LEGISLATIVE BODY OF THE MUNICIPALITY.
THEY MAY BE ISSUED IN ONE OR MORE SERIES AND SHALL:

- 31
- (1) BEAR A DATE OR DATES;
- 32 (2) MATURE AT A TIME OR TIMES;
- 33 (3) BEAR INTEREST AT A RATE OR RATES;
- 34 (4) **BE IN A DENOMINATION OR DENOMINATIONS;**

35(5) BE IN A FORM EITHER WITH OR WITHOUT COUPON OR36REGISTERED;

1	(6) CARRY A CONVERSION OR REGISTRATION PRIVILEGE;
2	(7) HAVE A RANK OR PRIORITY;
3	(8) BE EXECUTED IN A MANNER;
4 5	(9) BE PAYABLE IN A MEDIUM OF PAYMENT, AT A PLACE OR PLACES, AND BE SUBJECT TO TERMS OF REDEMPTION (WITH OR WITHOUT PREMIUM);
6	(10) BE SECURED IN A MANNER; AND
7 8	(11) HAVE OTHER CHARACTERISTICS, AS ARE PROVIDED BY THE RESOLUTION, TRUST INDENTURE, OR MORTGAGE ISSUED PURSUANT TO IT.
9	(D) THESE BONDS MAY NOT BE SOLD AT LESS THAN PAR VALUE AT PUBLIC
10	SALES WHICH ARE HELD AFTER NOTICE IS PUBLISHED PRIOR TO THE SALE IN A
11	NEWSPAPER HAVING A GENERAL CIRCULATION IN THE AREA IN WHICH THE
12	MUNICIPALITY IS LOCATED AND IN WHATEVER OTHER MEDIUM OF PUBLICATION AS
13	THE MUNICIPALITY MAY DETERMINE. THE BONDS MAY BE EXCHANGED ALSO FOR
14	OTHER BONDS ON THE BASIS OF PAR. HOWEVER, THE BONDS MAY NOT BE SOLD TO
15	THE FEDERAL GOVERNMENT AT PRIVATE SALE AT LESS THAN PAR, AND, IN THE
16	EVENT LESS THAN ALL OF THE AUTHORIZED PRINCIPAL AMOUNT OF THE BONDS IS
17	SOLD TO THE FEDERAL GOVERNMENT, THE BALANCE MAY NOT BE SOLD AT PRIVATE
18	SALE AT LESS THAN PAR AT AN INTEREST COST TO THE MUNICIPALITY WHICH DOES
19	NOT EXCEED THE INTEREST COST TO THE MUNICIPALITY OF THE PORTION OF THE
20	BONDS SOLD TO THE FEDERAL GOVERNMENT.

(E) IN CASE ANY OF THE PUBLIC OFFICIALS OF THE MUNICIPALITY WHOSE SIGNATURES APPEAR ON ANY BONDS OR COUPONS ISSUED UNDER THIS APPENDIX CEASE TO BE OFFICIALS OF THE MUNICIPALITY BEFORE THE DELIVERY OF THE BONDS OR IN THE EVENT ANY OF THE OFFICIALS HAVE BECOME SUCH AFTER THE DATE OF ISSUE OF THEM, THE BONDS ARE VALID AND BINDING OBLIGATIONS OF THE MUNICIPALITY IN ACCORDANCE WITH THEIR TERMS. ANY PROVISION OF ANY LAW TO THE CONTRARY NOTWITHSTANDING, ANY BONDS ISSUED PURSUANT TO THIS APPENDIX ARE FULLY NEGOTIABLE.

(F) IN ANY SUIT, ACTION, OR PROCEEDING INVOLVING THE VALIDITY OR
ENFORCEABILITY OF ANY BOND ISSUED UNDER THIS APPENDIX, OR THE SECURITY
FOR IT, ANY BOND WHICH RECITES IN SUBSTANCE THAT IT HAS BEEN ISSUED BY THE
MUNICIPALITY IN CONNECTION WITH AN URBAN RENEWAL PROJECT SHALL BE
CONSIDERED CONCLUSIVELY TO HAVE BEEN ISSUED FOR THAT PURPOSE, AND THE
PROJECT SHALL BE CONSIDERED CONCLUSIVELY TO HAVE BEEN PLANNED,

1 LOCATED, AND CARRIED OUT IN ACCORDANCE WITH THE PROVISIONS OF THIS 2 APPENDIX.

3 (G) ALL BANKS, TRUST COMPANIES, BANKERS, SAVINGS BANKS, AND INSTITUTIONS, BUILDING AND LOAN ASSOCIATIONS, SAVINGS AND LOAN 4 ASSOCIATIONS, INVESTMENT COMPANIES, AND OTHER PERSONS CARRYING ON A $\mathbf{5}$ BANKING OR INVESTMENT BUSINESS; ALL INSURANCE COMPANIES, INSURANCE 6 ASSOCIATIONS, AND OTHER PERSONS CARRYING ON AN INSURANCE BUSINESS; AND 7 8 ALL EXECUTORS, ADMINISTRATORS, CURATORS, TRUSTEES, AND OTHER FIDUCIARIES, MAY LEGALLY INVEST ANY SINKING FUNDS, MONEYS, OR OTHER 9 FUNDS BELONGING TO THEM OR WITHIN THEIR CONTROL IN ANY BONDS OR OTHER 10 OBLIGATIONS ISSUED BY THE MUNICIPALITY PURSUANT TO THIS APPENDIX. 11 12HOWEVER, THE BONDS AND OTHER OBLIGATIONS SHALL BE SECURED BY AN AGREEMENT BETWEEN THE ISSUER AND THE FEDERAL GOVERNMENT IN WHICH THE 1314ISSUER AGREES TO BORROW FROM THE FEDERAL GOVERNMENT AND THE FEDERAL 15GOVERNMENT AGREES TO LEND TO THE ISSUER, PRIOR TO THE MATURITY OF THE BONDS OR OTHER OBLIGATIONS, MONEYS IN AN AMOUNT WHICH (TOGETHER WITH 16ANY OTHER MONEYS COMMITTED IRREVOCABLY TO THE PAYMENT OF PRINCIPAL 17AND INTEREST ON THE BONDS OR OTHER OBLIGATIONS) WILL SUFFICE TO PAY THE 18 PRINCIPAL OF THE BONDS OR OTHER OBLIGATIONS WITH INTEREST TO MATURITY 19 20ON THEM. THE MONEYS UNDER THE TERMS OF THE AGREEMENT SHALL BE 21REQUIRED TO BE USED FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND THE 22INTEREST ON THE BONDS OR OTHER OBLIGATIONS AT THEIR MATURITY. THE BONDS AND OTHER OBLIGATIONS SHALL BE AUTHORIZED SECURITY FOR ALL PUBLIC 2324DEPOSITS. THIS SECTION AUTHORIZES ANY PERSONS OR PUBLIC OR PRIVATE 25POLITICAL SUBDIVISIONS AND OFFICERS TO USE ANY FUNDS OWNED OR 26CONTROLLED BY THEM FOR THE PURCHASE OF ANY BONDS OR OTHER OBLIGATIONS. WITH REGARD TO LEGAL INVESTMENTS, THIS SECTION MAY NOT BE 2728CONSTRUED TO RELIEVE ANY PERSON OF ANY DUTY OF EXERCISING REASONABLE 29CARE IN SELECTING SECURITIES.

30 **A1–113. SHORT TITLE.**

THIS APPENDIX SHALL BE KNOWN AND MAY BE CITED AS THE MOUNT AIRY URBAN RENEWAL AUTHORITY FOR SLUM CLEARANCE ACT.

33 A1–114. AUTHORITY TO AMEND OR REPEAL.

34This appendix, enacted pursuant to Article III, Section 61 of the35Maryland Constitution, may be amended or repealed only by the36General Assembly of Maryland.

37 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect 38 October 1, 2023.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.