

SENATE BILL 409

C8, L6

5lr2323
CF HB 97

By: **Senator King**

Introduced and read first time: January 20, 2025

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Economic Development – County or Municipal Corporation Economic**
3 **Development Authority – Powers and Use of Proceeds**

4 FOR the purpose of expanding the acceptable names authorized for an economic
5 development authority established by a county or municipal corporation; expanding
6 the powers of an authority, subject to limitations in the articles of incorporation of
7 the authority; authorizing an authority to issue certain bonds in accordance with
8 certain requirements; expanding the authorized uses of tax increment proceeds; and
9 generally relating to county and municipal economic development.

10 BY repealing and reenacting, with amendments,

11 Article – Economic Development

12 Section 12–101, 12–105, 12–107 through 12–109, 12–110(b), 12–111(a), 12–113(a),
13 12–201(e), (f), and (j), 12–203, 12–204, 12–207(a), 12–211, and 12–212

14 Annotated Code of Maryland

15 (2024 Replacement Volume and 2024 Supplement)

16 BY repealing and reenacting, without amendments,

17 Article – Economic Development

18 Section 12–110(a) and 12–201(a)

19 Annotated Code of Maryland

20 (2024 Replacement Volume and 2024 Supplement)

21 BY adding to

22 Article – Economic Development

23 Section 12–201(d–1) and (d–2)

24 Annotated Code of Maryland

25 (2024 Replacement Volume and 2024 Supplement)

26 BY repealing and reenacting, with amendments,

27 The Charter of Baltimore City

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Article II – General Powers
2 Section (62)(a)
3 (2007 Replacement Volume, as amended)
4 (As enacted by Chapter 338 of the Acts of the General Assembly of 2008)

5 BY repealing and reenacting, without amendments,
6 The Charter of Baltimore City
7 Article II – General Powers
8 Section (62)(b)(1) and (e)(2)(i) and (ii) and (3)
9 (2007 Replacement Volume, as amended)

10 BY repealing and reenacting, with amendments,
11 The Charter of Baltimore City
12 Article II – General Powers
13 Section (62)(b)(7) through (17), (c), (d), (e)(1) and (2)(iv), (f)(1), (h)(2), and (j)
14 (2007 Replacement Volume, as amended)

15 BY adding to
16 The Charter of Baltimore City
17 Article II – General Powers
18 Section (62)(b)(7) and (b–1)
19 (2007 Replacement Volume, as amended)

20 BY repealing and reenacting, with amendments,
21 The Charter of Baltimore City
22 Article II – General Powers
23 Section (62)(b)(18)
24 (2007 Replacement Volume, as amended)
25 (As enacted by Chapter 544 of the Acts of the General Assembly of 2008)

26 BY repealing and reenacting, without amendments,
27 The Charter of Baltimore City
28 Article II – General Powers
29 Section (62)(e)(2)(iii)
30 (2007 Replacement Volume, as amended)
31 (As enacted by Chapter 544 of the Acts of the General Assembly of 2008)

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

34 **Article – Economic Development**

35 12–101.

36 (a) In this subtitle the following words have the meanings indicated.

1 (b) “Authority” means an industrial development authority, REVENUE
2 AUTHORITY, REDEVELOPMENT AUTHORITY, OR OTHER SIMILARLY NAMED
3 AUTHORITY established in accordance with § 12–105 of this subtitle.

4 (c) “AUTHORITY FUNDS” MEANS:

5 (1) MONEY MADE AVAILABLE TO THE AUTHORITY UNDER TITLE 12,
6 SUBTITLE 2 OF THIS ARTICLE;

7 (2) REVENUES, PROCEEDS, EARNINGS, PREMIUMS, FEES, AND ANY
8 OTHER MONEY PAYABLE TO OR RECEIVED BY THE AUTHORITY FROM THE
9 OWNERSHIP, USE, SALE, LEASE, OR OTHER DISPOSITION OF PROPERTY OF THE
10 AUTHORITY OR OTHERWISE IN THE EXERCISE OF ITS POWERS; AND

11 (3) ANY OTHER MONEY MADE AVAILABLE TO THE AUTHORITY.

12 [(c)] (D) (1) “Bond” means a revenue bond, note, or other instrument,
13 certificate, or evidence of obligation that is issued and sold by a public body under this
14 subtitle [to finance a facility or to refund an outstanding bond].

15 (2) “Bond” includes:

16 (i) a bond anticipation note; and

17 (ii) a note in the nature of commercial paper.

18 [(d)] (E) “Chief executive” means the president, chair, mayor, county executive,
19 or any other chief executive officer of a public body.

20 (F) “DEVELOPMENT” INCLUDES NEW DEVELOPMENT, REDEVELOPMENT,
21 REVITALIZATION, AND RENOVATION.

22 [(e)] (G) “Facility” means any land or an interest in land, structure, working
23 capital, equipment, or other property, or any combination of them, the acquisition or
24 improvement of which the legislative body of a county or municipal corporation, the board
25 of directors of an authority, or the Maryland Industrial Development Financing Authority,
26 in its sole discretion, determines by resolution will accomplish one or more of the legislative
27 purposes listed in § 12–103(b) of this subtitle.

28 [(f)] (H) “Facility applicant” means a person, public or private corporation, or
29 other entity, whether for–profit or nonprofit, that, by letter of intent or similar agreement
30 with a public body, requests the public body to participate in financing a facility under this
31 subtitle for use by a facility user.

1 [(g)] (I) (1) “Facility user” means a person, public or private corporation, or
2 other entity, whether for-profit or nonprofit, that owns, leases, or uses all or part of a
3 facility.

4 (2) “Facility user” may include a facility applicant.

5 [(h)] (J) “Finance” includes refinance.

6 [(i)] (K) (1) “Finance board” means a unit or instrumentality of a county or
7 municipal corporation that is authorized by statute or charter to issue and sell bonds of the
8 county or municipal corporation.

9 (2) “Finance board” does not include the legislative body of a county or
10 municipal corporation.

11 [(j)] (L) “Improve” means to add, alter, construct, equip, expand, extend,
12 improve, install, reconstruct, rehabilitate, remodel, or repair.

13 [(k)] (M) “Improvement” means addition, alteration, construction, equipping,
14 expansion, extension, improvement, installation, reconstruction, rehabilitation,
15 remodeling, or repair.

16 (N) **“PROJECT AREA” MEANS A GEOGRAPHIC AREA DESIGNATED BY THE**
17 **LEGISLATIVE BODY OF A COUNTY OR MUNICIPAL CORPORATION WITHIN ITS**
18 **JURISDICTION AS A PROJECT AREA UNDER § 12-105(H) OF THIS SUBTITLE.**

19 (O) **“PROJECT AREA PLAN” MEANS THE PLAN ESTABLISHED BY A COUNTY**
20 **OR MUNICIPAL CORPORATION FOR THE PROJECT AREA UNDER § 12-105(H) OF THIS**
21 **SUBTITLE THAT ACCOMPLISHES AT LEAST ONE OF THE PURPOSES UNDER §**
22 **12-103(B) OF THIS SUBTITLE.**

23 [(l)] (P) “Public body” means:

24 (1) a county;

25 (2) a municipal corporation;

26 (3) an authority; or

27 (4) the Maryland Industrial Development Financing Authority.

28 [(m)] (Q) (1) “Public port” means the public ports and harbors on the
29 Chesapeake Bay or the Isle of Wight Bay and their tributaries in the State.

30 (2) “Public port” includes:

1 (i) the Baltimore Harbor (the Patapsco River and its tributaries
2 north and west of North Point and Bodkin Point);

3 (ii) the Port of Cambridge (the south side of the Choptank River
4 between Hambrook's Bar and the Emerson C. Harrington Bridge); and

5 (iii) the Port of Crisfield (the Little Annemessex River east of James
6 Island).

7 12–105.

8 (a) To accomplish one or more of the legislative purposes listed in § 12–103(b) of
9 this subtitle, the legislative body of a county or municipal corporation may adopt a
10 resolution to create an [industrial development] authority in accordance with this subtitle.

11 (b) A resolution adopted under subsection (a), (f), [or] (g), **OR (H)** of this section:

12 (1) is administrative in nature;

13 (2) is not subject to referendum; and

14 (3) in a county or municipal corporation that has a publicly elected chief
15 executive, is subject to approval by the chief executive.

16 (c) Subsection (a) of this section is self-executing and fully authorizes a county or
17 municipal corporation to establish an authority, notwithstanding any other statutory or
18 charter provision.

19 (d) A resolution adopted under subsection (a) of this section shall include
20 proposed articles of incorporation of the authority that state:

21 (1) the name of the authority, which shall be:

22 (I) “Industrial Development Authority of (name of the incorporating
23 county or municipal corporation)”;

24 (II) **“REVENUE AUTHORITY OF (NAME OF THE INCORPORATING
25 COUNTY OR MUNICIPAL CORPORATION)”**;

26 (III) **“REDEVELOPMENT AUTHORITY OF (NAME OF THE
27 INCORPORATING COUNTY OR MUNICIPAL CORPORATION)”**; OR

28 (IV) **A SIMILARLY NAMED ENTITY**;

29 (2) that the authority is formed under this subtitle;

1 (3) the names, addresses, and terms of office of the initial members of the
2 board of directors of the authority;

3 (4) the address of the principal office of the authority;

4 (5) the purposes for which the authority is formed; and

5 (6) the powers of the authority subject to the limitations on the powers of
6 an authority under this subtitle.

7 (e) (1) The chief executive of the incorporating county or municipal
8 corporation, or any other official designated in the resolution establishing the authority,
9 shall execute and file the articles of incorporation of the authority for record with the State
10 Department of Assessments and Taxation.

11 (2) When the State Department of Assessments and Taxation accepts the
12 articles of incorporation for record, the authority becomes a body politic and corporate and
13 an instrumentality of the incorporating county or municipal corporation.

14 (3) Acceptance of the articles of incorporation for record by the State
15 Department of Assessments and Taxation is conclusive evidence of the formation of the
16 authority.

17 (f) (1) By resolution, the legislative body of the incorporating county or
18 municipal corporation may adopt an amendment to the articles of incorporation of the
19 authority.

20 (2) Articles of amendment may contain any provision that lawfully could
21 be contained in articles of incorporation at the time of the amendment.

22 (3) The articles of amendment shall be filed for record with the State
23 Department of Assessments and Taxation.

24 (4) The articles of amendment are effective as of the time the State
25 Department of Assessments and Taxation accepts the articles for record.

26 (5) Acceptance of the articles of amendment for record by the State
27 Department of Assessments and Taxation is conclusive evidence that the articles have been
28 lawfully and properly adopted.

29 (g) (1) Subject to the provisions of this section and any limitations imposed by
30 law on the impairment of contracts, the incorporating county or municipal corporation, in
31 its sole discretion, by resolution may:

32 (i) set or change the **NAME**, structure, organization, procedures,
33 programs, or activities of the authority; or

1 (ii) terminate the authority.

2 (2) On termination of an authority:

3 (i) title to all property of the authority shall be transferred to and
4 vest in the incorporating county or municipal corporation; and

5 (ii) all obligations of the authority shall be transferred to and
6 assumed by the incorporating county or municipal corporation.

7 **(H) THE LEGISLATIVE BODY OF A COUNTY OR MUNICIPAL CORPORATION**
8 **MAY ADOPT A RESOLUTION:**

9 **(1) DESIGNATING A GEOGRAPHIC AREA WITHIN ITS JURISDICTION AS**
10 **A PROJECT AREA;**

11 **(2) ESTABLISHING A PROJECT AREA PLAN FOR A PROJECT AREA; AND**

12 **(3) AUTHORIZING THE AUTHORITY TO IMPLEMENT THE PROJECT**
13 **AREA PLAN.**

14 12-107.

15 (a) The board of directors of an authority shall govern the authority.

16 (b) Except as otherwise provided in this subtitle or the resolution establishing the
17 authority, the procedures of the incorporating county or municipal corporation control any
18 matter relating to the internal administration of the authority.

19 **(C) THE BOARD OF DIRECTORS OF AN AUTHORITY SHALL PROVIDE FOR THE**
20 **MAINTENANCE OF THE AUTHORITY'S MINUTES, RESOLUTIONS, AND OTHER**
21 **RECORDS SEPARATE FROM THOSE OF THE INCORPORATING COUNTY OR MUNICIPAL**
22 **CORPORATION THAT CREATED THE AUTHORITY.**

23 12-108.

24 Except as **OTHERWISE PROVIDED IN THIS SUBTITLE OR AS** necessary to pay debt
25 service or implement the public purposes or programs of the incorporating county or
26 municipal corporation, the net earnings of an authority may benefit only the incorporating
27 county or municipal corporation and may not benefit any person.

28 12-109.

29 (a) (1) Except as limited by its articles of incorporation, an authority has all
30 the powers set forth in this subtitle.

1 (2) **(I) [An] SUBJECT TO SUBPARAGRAPHS (II) THROUGH (IV) OF**
2 **THIS PARAGRAPH, AN authority may:**

3 **[(i)] 1. receive money from [its incorporating county or municipal**
4 **corporation, the State, other governmental units, or nonprofit organizations] ANY PUBLIC,**
5 **PRIVATE, OR NONPROFIT SOURCE TO FUND THE AUTHORITY’S ACTIVITIES, POWERS,**
6 **AND DUTIES IN ACCORDANCE WITH THIS SUBTITLE;**

7 **[(ii)] 2. charge fees for its services;**

8 **[(iii)] 3. have employees and consultants as it considers necessary;**
9 **[and]**

10 **[(iv)] 4. use the services of other governmental units;**

11 **5. OWN, HOLD, AND IMPROVE REAL AND PERSONAL**
12 **PROPERTY;**

13 **6. PURCHASE, HOLD, MAINTAIN, UTILIZE, MANAGE,**
14 **LEASE, OBTAIN OPTIONS ON, OR ACQUIRE BY GIFT, GRANT, BEQUEST, DEVISE, OR**
15 **OTHERWISE ANY REAL OR PERSONAL PROPERTY WHICH MAY INCLUDE THE USE OF**
16 **AUTHORITY FUNDS OR THE COLLECTION OF REVENUE;**

17 **7. SELL, LEASE, EXCHANGE, TRANSFER, ASSIGN,**
18 **PLEDGE, OR DISPOSE OF ANY REAL OR PERSONAL PROPERTY;**

19 **8. ENTER INTO CONTRACTS AND OTHER INSTRUMENTS**
20 **NECESSARY OR CONVENIENT TO EXERCISE THE AUTHORITY’S POWERS;**

21 **9. PROVIDE FOR THE DEMOLITION, CONSTRUCTION,**
22 **RECONSTRUCTION, REHABILITATION, IMPROVEMENT, ALTERATION, OR REPAIR OF**
23 **REAL AND PERSONAL PROPERTY;**

24 **10. INSURE OR PROVIDE FOR THE INSURANCE OF REAL**
25 **AND PERSONAL PROPERTY OR OPERATIONS OF THE AUTHORITY AGAINST ANY RISKS**
26 **OR HAZARDS;**

27 **11. SUE AND BE SUED;**

28 **12. IF DISPOSING OF OR LEASING LAND, RETAIN**
29 **CONTROL OR ESTABLISH RESTRICTIONS AND COVENANTS RUNNING WITH THE LAND**
30 **CONSISTENT WITH THE PROJECT AREA PLAN;**

1 **13. ENTER INTO A LEASE AGREEMENT ON REAL OR**
2 **PERSONAL PROPERTY, EITHER AS LESSEE OR LESSOR;**

3 **14. BORROW MONEY OR ACCEPT FINANCIAL OR OTHER**
4 **ASSISTANCE FROM A PUBLIC ENTITY OR ANY OTHER SOURCE FOR ANY OF THE**
5 **PURPOSES OF THIS SUBTITLE AND COMPLY WITH ANY CONDITIONS OF ANY LOAN OR**
6 **ASSISTANCE;**

7 **15. ISSUE BONDS TO FINANCE THE UNDERTAKING OF ANY**
8 **PROJECT AREA DEVELOPMENT OR FOR ANY OF THE AUTHORITY'S OTHER PURPOSES,**
9 **INCLUDING:**

10 **A. REIMBURSING AN ADVANCE MADE BY THE AUTHORITY**
11 **OR BY A PUBLIC ENTITY TO THE AUTHORITY;**

12 **B. REFUNDING BONDS TO PAY OR RETIRE BONDS**
13 **PREVIOUSLY ISSUED BY THE AUTHORITY; AND**

14 **C. REFUNDING BONDS TO PAY OR RETIRE BONDS**
15 **PREVIOUSLY ISSUED BY THE AUTHORITY OR THE COUNTY OR MUNICIPAL**
16 **CORPORATION THAT DESIGNATED THE PROJECT AREA FOR EXPENSES ASSOCIATED**
17 **WITH PROJECT AREA DEVELOPMENT;**

18 **16. PAY AN IMPACT FEE, EXACTION, OR OTHER FEE IN**
19 **CONNECTION WITH LAND DEVELOPMENT IMPOSED BY THE COUNTY OR MUNICIPAL**
20 **CORPORATION THAT DESIGNATED THE PROJECT AREA;**

21 **17. MAKE LOANS;**

22 **18. USE AUTHORITY FUNDS FOR THE PURPOSES OF THIS**
23 **SUBTITLE; AND**

24 **19. TRANSACT OTHER BUSINESS AND EXERCISE ALL**
25 **OTHER POWERS UNDER THIS SUBTITLE.**

26 **(II) AN AUTHORITY MAY ACQUIRE REAL PROPERTY UNDER**
27 **SUBPARAGRAPH (I) OF THIS PARAGRAPH THAT IS OUTSIDE A PROJECT AREA ONLY**
28 **IF THE BOARD OF DIRECTORS OF THE AUTHORITY DETERMINES THAT THE**
29 **PROPERTY WILL BENEFIT A PROJECT AREA.**

30 **(III) AUTHORITY FUNDS SHALL BE ACCOUNTED FOR**
31 **SEPARATELY FROM THE FUNDS OF THE COUNTY OR MUNICIPAL CORPORATION THAT**
32 **CREATED THE AUTHORITY.**

1 **(IV) AN AUTHORITY MAY ACCUMULATE AUTHORITY FUNDS,**
2 **RETAINED EARNINGS, OR FUND BALANCES IN ANY FUND.**

3 (b) For the purposes of this subtitle, each county and municipal corporation has
4 all the powers granted in this subtitle to an authority, including the power to make loans
5 to private enterprises competing with enterprises not receiving the loans.

6 (c) (1) (i) An authority shall operate and exercise its powers solely to
7 accomplish one or more of the legislative purposes of this subtitle.

8 (ii) The incorporating county or municipal corporation may use the
9 authority's exercise of its powers to accomplish one or more of the legislative purposes.

10 (2) An authority or an incorporating county or municipal corporation may
11 exercise its powers regardless of any effect on economic competition.

12 (3) The powers granted to a county or municipal corporation under
13 paragraph (2) of this subsection do not:

14 (i) grant to the county or municipal corporation powers in any
15 substantive area not otherwise granted to the county or municipal corporation under other
16 public general or public local law;

17 (ii) restrict the county or municipal corporation from exercising any
18 power granted to the county or municipal corporation under other public general or public
19 local law or otherwise;

20 (iii) authorize the county or municipal corporation, or the officers of
21 the county or municipal corporation, to engage in an activity that is beyond the power
22 granted under other public general or public local law or otherwise; or

23 (iv) preempt or supersede the regulatory authority of a unit of State
24 government under a public general law.

25 (4) The incorporating county or municipal corporation is not precluded
26 from directly exercising the powers granted to an authority under this subtitle after the
27 establishment of the authority.

28 12-110.

29 (a) Notwithstanding any limitation of law, a public body may issue and sell bonds
30 periodically to accomplish the legislative purposes of this subtitle.

31 (b) (1) A public body may issue and sell bonds [to]:

1 (i) subject to paragraph (2) of this subsection, **TO** finance the costs
2 of the acquisition or improvement of a facility for a facility user, including working capital;

3 (ii) **TO** refund outstanding bonds;

4 (iii) **TO** pay the costs of preparing, printing, selling, and issuing the
5 bonds;

6 (iv) **TO** fund reserves; [and]

7 (v) **TO** pay the interest on the bonds in the amount and for the period
8 the public body considers reasonable; **AND**

9 **(VI) FOR ANY OTHER PURPOSE IN THIS SUBTITLE.**

10 (2) (i) A public body may not issue bonds to acquire working capital
11 unless the bonds are secured by a letter of credit or an interest in property.

12 (ii) Working capital acquired by issuing bonds may not exceed 25%
13 of the principal amount of the bonds.

14 12–111.

15 (a) For each issue of its bonds, the legislative body of a county or municipal
16 corporation, the board of directors of an authority, or the Maryland Industrial Development
17 Financing Authority, shall adopt a resolution that:

18 (1) specifies and describes the facility **OR OTHER PROPOSED**
19 **UNDERTAKING TO BE FINANCED WITH THE PROCEEDS OF BONDS;**

20 (2) generally describes the public purpose to be served and the financing
21 transaction;

22 (3) specifies the maximum principal amount of the bonds that may be
23 issued; and

24 (4) imposes terms or conditions on the issuance and sale of bonds it
25 considers appropriate.

26 12–113.

27 (a) (1) A bond and the interest on a bond are limited obligations of the public
28 body.

1 (2) Except for bond anticipation notes and notes in the nature of
 2 commercial paper, the principal of, premium, and interest on a bond are payable solely
 3 from:

4 (i) money from the financing of a facility;

5 **(II) AUTHORITY FUNDS OF THE AUTHORITY ISSUING THE**
 6 **BONDS; or**

7 ~~[(ii)]~~ **(III)** other money made available to the public body.

8 (3) Bonds and the interest on them:

9 (i) are not debts or charges against the general credit or taxing
 10 powers of a public body within the meaning of any constitutional or charter provision or
 11 statutory limitation; and

12 (ii) may not give rise to any pecuniary liability of an issuing public
 13 body.

14 (4) A bond may state on its face that the bond:

15 (i) is issued under this subtitle; and

16 (ii) is not a debt to which the public body's faith and credit is pledged.

17 12-201.

18 (a) In this subtitle the following words have the meanings indicated.

19 **(D-1) "AUTHORITY" HAS THE MEANING STATED IN § 12-101 OF THIS TITLE.**

20 **(D-2) "AUTHORITY FUNDS" HAS THE MEANING STATED IN § 12-101 OF THIS**
 21 **TITLE.**

22 (e) "Bond" means a revenue bond, note, or other similar instrument issued in
 23 accordance with this subtitle by:

24 (1) a political subdivision;

25 **(2) AN AUTHORITY; or**

26 ~~[(2)]~~ **(3)** the revenue authority of Prince George's County.

1 (f) “Chief executive” means the president, chair, mayor, or other chief executive
2 officer of a political subdivision, **AN AUTHORITY**, or the revenue authority of Prince
3 George’s County.

4 (j) “Issuer” means **AN AUTHORITY**, a political subdivision, or the revenue
5 authority of Prince George’s County that issues a bond under this subtitle.

6 12–203.

7 (a) Before [issuing] bonds **ARE ISSUED**, the governing body of the political
8 subdivision shall:

9 (1) by resolution:

10 (i) designate a contiguous area within its jurisdiction as a
11 development district;

12 (ii) identify an area that has been designated a sustainable
13 community; or

14 (iii) identify an area that has been designated a **RISE** zone;

15 (2) receive from the Supervisor of Assessments a certification of the
16 amount of the original base, or if applicable, the adjusted assessable base; and

17 (3) pledge that until the bonds are fully paid, or a longer period, the real
18 property taxes in the development district, a **RISE** zone, or a sustainable community shall
19 be divided as follows:

20 (i) the portion of the taxes that would be produced at the current tax
21 rate on the original taxable value base shall be paid to the respective taxing authorities in
22 the same manner as taxes on other property are paid; and

23 (ii) the portion of the taxes on the tax increment that normally would
24 be paid into the general fund of the political subdivision shall be paid into the special fund
25 established under § 12–208 of this subtitle and applied in accordance with § 12–209 of this
26 subtitle.

27 (b) (1) In this subsection, “brownfields site” has the meaning stated in § 5–301
28 of this article.

29 (2) Before [issuing] bonds **ARE ISSUED** and as part of the resolution
30 required under subsection (a) of this section, the governing body of the political subdivision
31 may determine the original base of a brownfields site in a sustainable community.

32 (3) The determination of the original base of a brownfields site under this
33 section:

1 (i) is not a determination of the value of the brownfields site; and

2 (ii) may not be used to determine a property tax assessment or
3 appeal of a property tax assessment under the Tax – Property Article.

4 (c) The establishment or identification by a county of a development district, a
5 RISE zone, or a sustainable community that is wholly or partly in a municipal corporation
6 shall also require a resolution approving the development district, RISE zone, or
7 sustainable community by the governing body of the municipal corporation.

8 12–204.

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

11 (b) To issue bonds under this subtitle, the governing body of a political subdivision
12 shall adopt an ordinance that:

13 (1) describes the proposed undertaking; and

14 (2) states:

15 (i) that the governing body has complied with §§ 12–203 and
16 12–208(c) and (d) of this subtitle;

17 (ii) the maximum principal amount of the bonds; and

18 (iii) the maximum rate of interest on the bonds.

19 (c) The ordinance may specify the following for bonds issued to carry out the
20 financing of the proposed undertaking:

21 (1) the principal amount;

22 (2) the rate of interest;

23 (3) the manner and terms of sale;

24 (4) the time of execution, issuance, and delivery;

25 (5) the form and denomination;

26 (6) the manner in which, and the times and places at which principal and
27 interest shall be paid;

28 (7) conditions for redemption before maturity; or

1 (8) other provisions consistent with this subtitle that the governing body of
2 the political subdivision determines are necessary or desirable.

3 (d) (1) The revenue authority of Prince George's County may issue bonds in
4 accordance with an ordinance adopted by the governing body of Prince George's County.

5 (2) AN AUTHORITY MAY ISSUE BONDS IN ACCORDANCE WITH AN
6 ORDINANCE ADOPTED BY THE GOVERNING BODY THAT CREATED THE AUTHORITY
7 UNDER SUBTITLE 1 OF THIS TITLE.

8 (e) The ordinance may specify the items listed in subsection (c) of this section or
9 may authorize:

10 (1) the finance board to specify those items by resolution or ordinance; or

11 (2) the chief executive to specify those items by executive order.

12 (f) (1) Except as provided in paragraph (2) of this subsection, neither an
13 ordinance authorizing the bonds nor an ordinance, resolution, or executive order issued,
14 passed, or adopted under this section may be subject to referendum because of any other
15 State or local law.

16 (2) An ordinance that authorizes the pledge of the full faith and credit of a
17 political subdivision to the payment of principal and interest on a bond is subject to any
18 applicable right to referendum.

19 12-207.

20 (a) Except as provided in subsections (b) and (e) of this section, **THE SPECIAL**
21 **FUND ESTABLISHED UNDER § 12-208 OF THIS SUBTITLE OR** bond proceeds may be used
22 **[only]:**

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

25 (i) in the development district, a RISE zone, or a sustainable
26 community; or

27 (ii) needed for a right-of-way or other easement to or from the
28 development district, a RISE zone, or a sustainable community;

29 (2) for site removal;

30 (3) for surveys and studies;

1 (4) to relocate businesses or residents;

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

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

5 (ii) parking AND ANCILLARY IMPROVEMENTS RELATED TO
6 VEHICLES; and

7 (iii) lighting;

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

9 (7) for reserves [or], capitalized interest, AND WORKING CAPITAL;

10 (8) for necessary costs to issue bonds; [and]

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

13 (10) FOR THE PURPOSE OF ENCOURAGING DEVELOPMENT IN THE
14 DEVELOPMENT DISTRICT, A RISE ZONE, OR A SUSTAINABLE COMMUNITY, TO
15 INSTALL PUBLIC OR PRIVATE INFRASTRUCTURE IMPROVEMENTS, INCLUDING:

16 (I) STREETS;

17 (II) UTILITIES;

18 (III) STREET LIGHTS;

19 (IV) STORMWATER MANAGEMENT AND STORM DRAIN
20 FACILITIES;

21 (V) FENCING;

22 (VI) NOISE WALLS;

23 (VII) RETAINING WALLS;

24 (VIII) TRAILS;

25 (IX) SIDEWALKS;

26 (X) PUBLIC RECREATIONAL FACILITIES;

1 (XI) LANDSCAPING, STREETS CAPING, AND PUBLIC ART; AND

2 (XII) PEDESTRIAN AND VEHICULAR BRIDGES;

3 (11) TO ISSUE LOANS FOR THE PURPOSE OF ENCOURAGING
4 DEVELOPMENT IN THE DEVELOPMENT DISTRICT, RISE ZONE, OR SUSTAINABLE
5 COMMUNITY;

6 (12) FOR ADMINISTRATIVE OVERHEAD, LEGAL, OR OTHER OPERATING
7 EXPENSES OF THE AUTHORITY, INCLUDING THE FEES AND EXPENSES OF
8 CONSULTANTS;

9 (13) TO FINANCE OR REFINANCE IN WHOLE OR IN PART:

10 (I) DEVELOPMENT COSTS OF A DEVELOPMENT DISTRICT,
11 INCLUDING ENVIRONMENTAL REMEDIATION;

12 (II) IF THE EXPENDITURES ARE RELATED TO HOUSING IN A
13 DEVELOPMENT DISTRICT:

14 1. THE ACQUISITION OF THE LAND; AND

15 2. THE COST OF INSTALLATION, CONSTRUCTION, OR
16 REHABILITATION OF THE HOUSING-RELATED BUILDING, FACILITY, STRUCTURE, OR
17 OTHER HOUSING IMPROVEMENT, INCLUDING INFRASTRUCTURE IMPROVEMENTS
18 RELATED TO HOUSING; AND

19 (III) IF THE EXPENDITURES ARE RELATED TO HOUSING NOT IN A
20 DEVELOPMENT DISTRICT:

21 1. REPLACING HOUSING UNITS LOST IN A DEVELOPMENT
22 DISTRICT;

23 2. INCREASING, IMPROVING, OR PRESERVING THE
24 SUPPLY OF AFFORDABLE HOUSING WITHIN THE BOUNDARY OF THE DEVELOPMENT
25 DISTRICT; OR

26 3. RELOCATING MOBILE HOME PARK RESIDENTS
27 DISPLACED BY DEVELOPMENT INSIDE OR OUTSIDE A DEVELOPMENT DISTRICT;

1 **(14) FOR AFFORDABLE HOUSING OR HOMELESS ASSISTANCE, TO LEND,**
2 **GRANT, OR CONTRIBUTE FUNDS TO A PERSON, PUBLIC OR PRIVATE ENTITY,**
3 **HOUSING AUTHORITY, OR NONPROFIT ENTITY;**

4 **(15) FOR AN INCENTIVE OR OTHER CONSIDERATION PAID WITH**
5 **RESPECT TO THE DEVELOPMENT DISTRICT;**

6 **(16) FOR THE ACQUISITION OF LAND AND THE COST OF THE**
7 **INSTALLATION AND CONSTRUCTION OF ANY PUBLICLY OWNED BUILDING, FACILITY,**
8 **STRUCTURE, OR OTHER IMPROVEMENT WITHIN THE DEVELOPMENT DISTRICT;**

9 **(17) BY AN AUTHORITY FOR THE PURPOSES OF THIS SUBSECTION AND**
10 **SUBTITLE 1 OF THIS TITLE;**

11 **(18) IF THE BOARD OF DIRECTORS ESTABLISHED UNDER § 12-106 OF**
12 **THIS TITLE AND THE POLITICAL SUBDIVISION THAT DESIGNATED THE**
13 **DEVELOPMENT DISTRICT ADOPT A RESOLUTION THAT THE PUBLICLY OWNED**
14 **INFRASTRUCTURE AND IMPROVEMENTS BENEFIT THE DEVELOPMENT DISTRICT,**
15 **FOR THE INFRASTRUCTURE AND IMPROVEMENTS OUTSIDE THE DEVELOPMENT**
16 **DISTRICT;**

17 **(19) IF THE BOARD OF DIRECTORS ESTABLISHED UNDER § 12-106 OF**
18 **THIS TITLE AND THE POLITICAL SUBDIVISION THAT DESIGNATED THE**
19 **DEVELOPMENT DISTRICT APPROVE AND PROJECTED AUTHORITY FUNDS ARE**
20 **SUFFICIENT TO REPAY THE LOAN, TO MAKE LOANS FROM ONE DEVELOPMENT**
21 **DISTRICT TO ANOTHER;**

22 **(20) AS A GRANT TO THE POLITICAL SUBDIVISION TO OFFSET THE**
23 **TAXES PAID TO THE SPECIAL FUND ESTABLISHED UNDER § 12-208 OF THIS**
24 **SUBTITLE THAT WERE PAID TO THE AUTHORITY FOR THE PURPOSES UNDER THIS**
25 **SUBTITLE;**

26 **(21) (I) FOR CONVENTION, CONFERENCE, OR VISITOR CENTERS;**
27 **AND**

28 **(II) TO MAINTAIN INFRASTRUCTURE IMPROVEMENTS AND**
29 **CONVENTION, CONFERENCE, OR VISITOR CENTERS; AND**

30 **(22) FOR ANY OTHER PURPOSE AUTHORIZED UNDER THIS SUBTITLE.**

31 12-211.

1 (a) The principal amount of bonds, interest payable on bonds, the transfer of
2 bonds, and income from bonds, including profit made in the sale or transfer of bonds, are
3 exempt from State and local taxes.

4 (b) If a political subdivision **OR AN AUTHORITY** leases as a lessor its property
5 within a development district, a RISE zone, or a sustainable community:

6 (1) the property shall be assessed and taxed in the same manner as
7 privately owned property; and

8 (2) the lease shall require the lessee to pay taxes or payments in lieu of
9 taxes on the assessed value of the entire property and not only on the assessed value of the
10 leasehold interest.

11 12-212.

12 This subtitle does not authorize **AN AUTHORITY**, a county, or a municipal
13 corporation to acquire property by eminent domain.

14 **The Charter of Baltimore City**

15 Article II – General Powers

16 The Mayor and City Council of Baltimore shall have full power and authority to
17 exercise all of the powers heretofore or hereafter granted to it by the Constitution of
18 Maryland or by any Public General or Public Local Laws of the State of Maryland; and in
19 particular, without limitation upon the foregoing, shall have power by ordinance, or such
20 other method as may be provided for in its Charter, subject to the provisions of said
21 Constitution and Public General Laws:

22 (62)

23 (a) (1) To borrow money by issuing and selling bonds, at any time and from
24 time to time, for the purpose of financing and refinancing the development of an industrial,
25 commercial, or residential area in Baltimore City. Such bonds shall be payable from and
26 secured by a pledge of the special fund described in subsection (d)(3)(ii) of this section and
27 the Mayor and City Council of Baltimore may also establish sinking funds, establish debt
28 service reserve funds, or pledge other assets and revenues towards the payments of the
29 principal and interest **OR OTHER PURPOSES AS PROVIDED UNDER THIS SECTION**,
30 including revenues received by the Mayor and City Council of Baltimore pursuant to a
31 development agreement.

32 (2) (i) In lieu of the pledges set forth in paragraph (1) of this subsection,
33 the authorizing ordinance or trust agreement, subject to subparagraphs (ii) and (iii) of this
34 paragraph, may pledge or assign:

1 1. all or any part of that portion of the revenues and receipts
2 from the taxes representing the levy of the tax increment that would normally be paid to
3 the Mayor and City Council of Baltimore to the payment of such principal and interest;

4 2. the special fund described in subsection (d)(3)(ii) of this
5 section and any other fund into which all or any part of such revenues and receipts are
6 deposited after such revenues and receipts are appropriated by the Mayor and City Council
7 of Baltimore to the payment of such principal and interest;

8 3. amounts provided to the Mayor and City Council of
9 Baltimore by the State under § 2–222 of the Tax – Property Article of the Annotated Code
10 of Maryland; and

11 4. any other assets and revenues of the Mayor and City
12 Council of Baltimore.

13 (ii) The revenues and receipts may not be irrevocably pledged to the
14 payment of such principal and interest and the obligation to pay such principal and interest
15 from such revenues and receipts shall be subject to annual appropriation by the Mayor and
16 City Council of Baltimore.

17 (iii) The Mayor and City Council of Baltimore may not pledge its full
18 faith and credit or unlimited taxing power to the payment of such bonds.

19 (b) (1) In this section the following words have the meanings indicated, unless
20 the context clearly indicates another or different meaning or intent:

21 **(7) “AUTHORITY” HAS THE MEANING PROVIDED IN § 12–101 OF THE**
22 **ECONOMIC DEVELOPMENT ARTICLE OF THE ANNOTATED CODE OF MARYLAND.**

23 **[(7)] (8)** “Bonds” or “bond” means any bonds or bond, notes or note, or
24 other similar instruments or instrument issued by the Mayor and City Council of Baltimore
25 **OR AN AUTHORITY** pursuant to and in accordance with this section.

26 **[(8)] (9)** “Development” includes new development, redevelopment,
27 revitalization, and renovation.

28 **[(9)] (10)** “Development agreement” means an agreement between the
29 Mayor and City Council of Baltimore **OR AN AUTHORITY** and any person involved in or
30 responsible for development of property within a development district pursuant to which
31 such person shall agree to pay in each year in which any bonds are outstanding an amount
32 equal to all or a portion of the debt service on bonds issued pursuant to this section to
33 finance or refinance development in such development district.

34 **[(10)] (11)** “Development district” means an area or areas within the City of
35 Baltimore designated by an ordinance of the Mayor and City Council of Baltimore.

1 [(11)] (12) “Distressed property” has the meaning stated in § 21–17(a) of the
2 Public Local Laws of Baltimore City.

3 [(12)] (13) “Original assessable base” means the assessable base as of
4 January 1 of that year preceding the effective date of the ordinance creating the
5 development district under subsection (d) of this section.

6 [(13)] (14) “Original full cash value” means the dollar amount which is
7 determined by dividing the original assessable base by the assessment ratio used to
8 determine the original assessable base.

9 [(14)] (15) “Original taxable value” means for any tax year the dollar
10 amount that is the lesser of:

11 (i) the product of the original full cash value times the assessment
12 ratio applicable to that tax year;

13 (ii) the original assessable base; or

14 (iii) if an adjusted assessable base applies, then the “original taxable
15 value” is the adjusted assessable base.

16 [(15)] (16) “Supervisor of Assessments” means the Supervisor of
17 Assessments for Baltimore City.

18 [(16)] (17) “Tax increment” means for any tax year the amount by which the
19 assessable base as of January 1 preceding that tax year exceeds the original taxable value,
20 divided by the assessment ratio used to determine the original taxable value.

21 [(17)] (18) “Tax year” means the period from July 1 of a calendar year
22 through June 30 of the next calendar year.

23 [(18)] (19) “State obligations” means any bonds or bond, notes or note, or
24 other similar instruments or instrument issued by the Maryland Economic Development
25 Corporation, the State of Maryland, or any agency, department, or political subdivision
26 thereof, the proceeds of which have been used for any of the purposes specified in subsection
27 (c) of this section.

28 **(B–1) AN AUTHORITY MAY ISSUE BONDS IN ACCORDANCE WITH AN**
29 **ORDINANCE ADOPTED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE UNDER**
30 **THIS SECTION.**

31 (c) All proceeds received from any bonds issued and sold pursuant to this section
32 [shall], **REVENUE FROM PROPERTY TAXES LEVIED ON A TAX INCREMENT, AND**

1 **PROPERTY TAXES ALLOCATED TO THE SPECIAL FUND UNDER SUBSECTION (D)(3)(II)**
2 **OF THIS SECTION MAY** be applied [solely] for:

3 (1) the cost of purchasing, leasing, condemning, or otherwise acquiring
4 land or other property, or an interest in them, in the designated development district area
5 or as necessary for a right-of-way or other easement to or from the development district
6 area;

7 (2) site removal;

8 (3) surveys and studies;

9 (4) relocation of businesses or residents;

10 (5) installation of utilities, construction of parks and playgrounds, and
11 other necessary improvements including streets and roads to, from, or within the
12 development district, lighting, and other facilities;

13 (6) construction or rehabilitation of buildings provided that such buildings:

14 (i) are to be devoted to a governmental use or purpose;

15 (ii) are abandoned property;

16 (iii) are distressed property; or

17 (iv) will provide units of affordable housing;

18 (7) reserves, **WORKING CAPITAL**, and capitalized interest on the bonds;

19 (8) necessary costs of issuing bonds;

20 (9) structured and surface parking facilities **AND ANCILLARY**
21 **IMPROVEMENTS RELATED TO VEHICLES** that are:

22 (i) publicly owned; or

23 (ii) privately owned but serve a public purpose; [and]

24 (10) payment of the principal and interest on loans, money advanced, or
25 indebtedness incurred by the Mayor and City Council of Baltimore for any of the purposes
26 set out in this section;

27 **(11) THE PURPOSE OF ENCOURAGING DEVELOPMENT IN THE**
28 **DEVELOPMENT DISTRICT, A RISE ZONE, OR A SUSTAINABLE COMMUNITY, TO**
29 **INSTALL PUBLIC OR PRIVATE INFRASTRUCTURE IMPROVEMENTS, INCLUDING:**

- 1 (I) STREETS;
- 2 (II) UTILITIES;
- 3 (III) STREET LIGHTS;
- 4 (IV) STORMWATER MANAGEMENT AND STORM DRAIN
5 FACILITIES;
- 6 (V) FENCING;
- 7 (VI) NOISE WALLS;
- 8 (VII) RETAINING WALLS;
- 9 (VIII) TRAILS;
- 10 (IX) SIDEWALKS;
- 11 (X) PUBLIC RECREATIONAL FACILITIES;
- 12 (XI) LANDSCAPING, STREETS CAPING, AND PUBLIC ART; AND
- 13 (XII) PEDESTRIAN AND VEHICULAR BRIDGES;
- 14 (12) ISSUING LOANS FOR THE PURPOSE OF ENCOURAGING
15 DEVELOPMENT IN THE DEVELOPMENT DISTRICT, RISE ZONE, OR SUSTAINABLE
16 COMMUNITY;
- 17 (13) ADMINISTRATIVE OVERHEAD, LEGAL, OR OTHER OPERATING
18 EXPENSES OF AN AUTHORITY, INCLUDING THE FEES AND EXPENSES OF
19 CONSULTANTS;
- 20 (14) FINANCING OR REFINANCING ALL OR PART OF:
- 21 (I) DEVELOPMENT COSTS OF A DEVELOPMENT DISTRICT,
22 INCLUDING ENVIRONMENTAL REMEDIATION;
- 23 (II) IF THE EXPENDITURES ARE RELATED TO HOUSING IN A
24 DEVELOPMENT DISTRICT:
- 25 1. THE ACQUISITION OF THE LAND; AND

1 **2. THE COST OF INSTALLATION, CONSTRUCTION, OR**
2 **REHABILITATION OF THE HOUSING-RELATED BUILDING, FACILITY, STRUCTURE, OR**
3 **OTHER HOUSING IMPROVEMENT, INCLUDING INFRASTRUCTURE IMPROVEMENTS**
4 **RELATED TO HOUSING; AND**

5 **(III) IF THE EXPENDITURES ARE RELATED TO HOUSING NOT IN A**
6 **DEVELOPMENT DISTRICT:**

7 **1. REPLACING HOUSING UNITS LOST IN A DEVELOPMENT**
8 **DISTRICT;**

9 **2. INCREASING, IMPROVING, OR PRESERVING THE**
10 **SUPPLY OF AFFORDABLE HOUSING WITHIN THE BOUNDARY OF THE DEVELOPMENT**
11 **DISTRICT; OR**

12 **3. RELOCATING MOBILE HOME PARK RESIDENTS**
13 **DISPLACED BY DEVELOPMENT INSIDE OR OUTSIDE A DEVELOPMENT DISTRICT;**

14 **(15) AFFORDABLE HOUSING OR HOMELESS ASSISTANCE, TO LEND,**
15 **GRANT, OR CONTRIBUTE FUNDS TO A PERSON, PUBLIC OR PRIVATE ENTITY,**
16 **HOUSING AUTHORITY, OR NONPROFIT ENTITY;**

17 **(16) AN INCENTIVE OR OTHER CONSIDERATION PAID WITH RESPECT**
18 **TO A DEVELOPMENT DISTRICT;**

19 **(17) THE ACQUISITION OF LAND AND THE COST OF THE INSTALLATION**
20 **AND CONSTRUCTION OF ANY PUBLICLY OWNED BUILDING, FACILITY, STRUCTURE,**
21 **OR OTHER IMPROVEMENT WITHIN THE DEVELOPMENT DISTRICT;**

22 **(18) IF THE BOARD OF DIRECTORS ESTABLISHED UNDER § 12-106 OF**
23 **THE ECONOMIC DEVELOPMENT ARTICLE OF THE ANNOTATED CODE OF MARYLAND**
24 **AND THE MAYOR AND CITY COUNCIL OF BALTIMORE ADOPT A RESOLUTION THAT**
25 **THE PUBLICLY OWNED INFRASTRUCTURE AND IMPROVEMENTS BENEFIT THE**
26 **DEVELOPMENT DISTRICT, THE INFRASTRUCTURE AND IMPROVEMENTS OUTSIDE**
27 **THE DEVELOPMENT DISTRICT;**

28 **(19) IF THE BOARD OF DIRECTORS ESTABLISHED UNDER § 12-106 OF**
29 **THE ECONOMIC DEVELOPMENT ARTICLE OF THE ANNOTATED CODE OF MARYLAND**
30 **AND THE MAYOR AND CITY COUNCIL OF BALTIMORE APPROVE AND PROJECTED**
31 **AUTHORITY FUNDS ARE SUFFICIENT TO REPAY THE LOAN, MAKING LOANS FROM**
32 **ONE DEVELOPMENT DISTRICT TO ANOTHER;**

1 **(20) A GRANT TO THE MAYOR AND CITY COUNCIL OF BALTIMORE TO**
2 **OFFSET THE REVENUES FROM PROPERTY TAXES LEVIED ON A TAX INCREMENT THAT**
3 **WAS PAID TO THE AUTHORITY FOR THE PURPOSES UNDER THIS SECTION;**

4 **(21) (I) CONVENTION, CONFERENCE, OR VISITOR CENTERS; AND**

5 **(II) MAINTAINING INFRASTRUCTURE IMPROVEMENTS AND**
6 **CONVENTION, CONFERENCE, OR VISITOR CENTERS; AND**

7 **(22) ANY OTHER PURPOSE AUTHORIZED UNDER THIS SECTION OR**
8 **TITLE 12, SUBTITLE 2 OF THE ECONOMIC DEVELOPMENT ARTICLE OF THE**
9 **ANNOTATED CODE OF MARYLAND.**

10 (d) Before [issuing] any bonds **ARE ISSUED** under this section, the Mayor and
11 City Council of Baltimore shall:

12 (1) designate by ordinance an area or areas within the City of Baltimore as
13 a “development district”;

14 (2) receive from the Supervisor of Assessments a certification as to the
15 amount of the original assessable base, or if applicable, the adjusted assessable base; and

16 (3) provide that until the bonds have been fully paid or thereafter, the
17 property taxes on real property within the development district shall be divided as follows:

18 (i) that portion of the taxes which would be produced by the rate at
19 which taxes levied each year by the Mayor and City Council of Baltimore upon the original
20 taxable value shall be allocated to and when collected paid into the funds of the Mayor and
21 City Council of Baltimore in the same manner as taxes by the Mayor and City Council of
22 Baltimore on all other property are paid; and

23 (ii) that portion of the taxes representing the levy on the tax
24 increment that would normally be paid to the Mayor and City Council of Baltimore shall
25 be paid into a special fund to be applied in accordance with the provisions of subsection (e)
26 of this section. This yield shall not be considered as municipal taxes for the purposes of any
27 constant yield tax limitation or State or local restriction. No State real property taxes may
28 be paid into the special fund.

29 (e) (1) The Mayor and City Council of Baltimore may enact an ordinance
30 creating a special fund described in subsection (d)(3)(ii) of this section with respect to a
31 development district, even though no bonds authorized by this section have been issued by
32 the Mayor and City Council of Baltimore **OR AN AUTHORITY** with respect to that
33 development district or are then outstanding. The taxes allocated to such special fund by
34 subsection (d)(3)(ii) of this section shall thereafter be paid over to such special fund, as long
35 as such ordinance remains in effect.

1 (2) When no bonds authorized by this section are outstanding with respect
2 to a development district and the Mayor and City Council of Baltimore by ordinance so
3 determines, moneys in the special fund for that development district created pursuant to
4 subsection (d)(3)(ii) of this section may be:

5 (i) used for any of the purposes described in subsection (c) of this
6 section;

7 (ii) accumulated for payment of debt service on bonds subsequently
8 issued under this section;

9 (iii) used to pay or to reimburse the Mayor and City Council of
10 Baltimore for debt service which the Mayor and City Council of Baltimore is obligated to
11 pay or has paid (whether such obligation is general or limited) on any bonds or State
12 obligations; or

13 (iv) paid to the Mayor and City Council of Baltimore to provide funds
14 to be used for any legal purpose as may be determined by the Mayor and City Council of
15 Baltimore **OR AUTHORITY.**

16 (3) When any bonds authorized by this section are outstanding with
17 respect to a development district and the Mayor and City Council of Baltimore so
18 determines, moneys in the special fund for that development district created pursuant to
19 subsection (d)(3)(ii) of this section may be used as provided in paragraph (2) of this
20 subsection in any fiscal year by the Mayor and City Council of Baltimore, but only to the
21 extent that:

22 (i) the amount in such special fund exceeds the unpaid debt service
23 payable on such bonds in such fiscal year and is not restricted so as to prohibit the use of
24 such moneys; and

25 (ii) such use is not prohibited by the ordinance of the Mayor and City
26 Council of Baltimore or resolution of the Board of Finance authorizing the issuance of such
27 bonds.

28 (f) (1) Before [issuing] any bonds **ARE ISSUED** under this section the Mayor
29 and City Council of Baltimore shall enact an ordinance which:

30 (i) specifies and describes the proposed undertaking and states that
31 it has complied with subsection (d) of this section; and

32 (ii) specifies the maximum principal amount of bonds to be issued,
33 from time to time or at any time, pursuant to such ordinance.

34 (h) (2) All bonds shall be signed manually or in facsimile by the Mayor of the
35 City of Baltimore **OR THE AUTHORITY**, and the seal of the Mayor and City Council of
36 Baltimore shall be impressed thereon manually or by facsimile and attested by the

1 custodian of the City seal, manually or by facsimile. If any officer whose signature or
2 countersignature appears on the bonds ceases to be such officer before delivery of the bonds,
3 his signature or countersignature shall nevertheless be valid and sufficient for all purposes
4 the same as if he had remained in office until delivery thereof.

5 (j) Whenever the Mayor and City Council of Baltimore **OR THE AUTHORITY**, as
6 lessor, leases its property within the development district, the property shall be assessed
7 and taxed in the same manner as privately owned property, and the lease or contract shall
8 provide that the lessee shall pay taxes or payments in lieu of taxes upon the assessed value
9 of the entire property and not merely the assessed value of the leasehold interest.

10 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
11 October 1, 2025.