

HOUSE BILL 1131

C8, L2

9lr0645

By: **Prince George's County Delegation**

Introduced and read first time: February 13, 2009

Assigned to: Health and Government Operations

A BILL ENTITLED

1 AN ACT concerning

2 **Prince George's County – Tax Increment Financing – Small, Local, or**
3 **Minority Business Enterprises**

4 **PG 406–09**

5 FOR the purpose of requiring that certain small, local, or minority business
6 enterprises receive at least a certain percentage ownership in certain projects
7 wholly or partially financed through certain bonds in Prince George's County;
8 providing that a certain ownership requirement does not apply to certain
9 tax-exempt or not-for-profit entities or to certain projects; requiring the
10 County Council of Prince George's County to enact certain local laws with
11 respect to the definition and certification of small, local, and minority business
12 enterprises; requiring the County Council of Prince George's County to conduct
13 a certain study and report the results of the study to certain entities before a
14 certain date; and generally relating to tax increment financing and small, local,
15 and minority business enterprises in Prince George's County.

16 BY repealing and reenacting, with amendments,
17 Article – Economic Development
18 Section 12–207
19 Annotated Code of Maryland
20 (2008 Volume)

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

23 **Article – Economic Development**

24 12–207.

25 (a) Bond proceeds may be used only:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

3 (i) in the development district; or

4 (ii) needed for a right-of-way or other easement to or from the
5 development district;

6 (2) for site removal;

7 (3) for surveys and studies;

8 (4) to relocate businesses or residents;

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

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

12 (ii) parking; and

13 (iii) lighting;

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

16 (7) for reserves or capitalized interest;

17 (8) for necessary costs to issue bonds; and

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

20 (b) (1) **THIS SUBSECTION ONLY APPLIES TO PRINCE GEORGE'S**
21 **COUNTY.**

22 (2) In addition to the purposes listed in subsection (a) of this section,
23 the proceeds from bonds that Prince George's County or the revenue authority of
24 Prince George's County issues may be used:

25 (i) for convention, conference, or visitors' centers;

26 (ii) to maintain infrastructure improvements and convention,
27 conference, or visitors' centers;

1 (iii) to market development district facilities and other
2 improvements; and

3 (iv) for the purpose of encouraging redevelopment in those areas
4 listed in paragraph [(2)] (3) of this subsection, to install infrastructure improvements,
5 including:

- 6 1. streets;
- 7 2. parking structures of any type whether for public or
8 private use;
- 9 3. utilities;
- 10 4. street lights;
- 11 5. stormwater management and storm drain facilities;
- 12 6. fencing;
- 13 7. noise walls;
- 14 8. retaining walls;
- 15 9. trails;
- 16 10. sidewalks;
- 17 11. pedestrian and vehicular bridges; and
- 18 12. park facilities.

19 [(2)] (3) The purpose of the authority granted by paragraph [(1)(iv)]
20 (2)(IV) of this subsection is to encourage redevelopment in:

- 21 (i) revitalization areas designated by the county;
- 22 (ii) mixed use centers;
- 23 (iii) blighted areas; and
- 24 (iv) the Developed Tier, growth corridors, and growth centers, as
25 defined in the county General Plan.

26 (4) (I) THIS PARAGRAPH DOES NOT APPLY:

1 **1. TO A PROJECT IN WHICH THE PERSON**
2 **CONTROLLING THE DEVELOPMENT PROJECT IS EXEMPT FROM TAXATION**
3 **UNDER § 501(C) OF THE INTERNAL REVENUE CODE, OR OTHER**
4 **NOT-FOR-PROFIT ENTITY; AND**

5 **2. TO A PROJECT FOR WHICH A PARCEL OF REAL**
6 **PROPERTY WAS PURCHASED BEFORE OCTOBER 1, 2009.**

7 **(II) SMALL, LOCAL, OR MINORITY BUSINESS ENTERPRISES**
8 **SHALL RECEIVE AT LEAST 20% OWNERSHIP IN ANY PROJECT WHOLLY OR**
9 **PARTLY FINANCED THROUGH BONDS ISSUED UNDER THIS SECTION THAT:**

10 **1. HAS PRIVATE OWNERSHIP; OR**

11 **2. RESULTS IN CONTRACTS WHERE COUNTY-OWNED**
12 **REAL PROPERTY IS TRANSFERRED TO A THIRD PARTY.**

13 **(III) THE COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY**
14 **SHALL ENACT LOCAL LAWS TO DEFINE AND CERTIFY SMALL BUSINESSES, LOCAL**
15 **BUSINESSES, AND MINORITY BUSINESS ENTERPRISES FOR THE PURPOSE OF**
16 **THIS SECTION.**

17 SECTION 2. AND BE IT FURTHER ENACTED, That:

18 (a) The County Council of Prince George's County shall conduct a disparity
19 study focusing on the analysis of evidence of patterns of discrimination towards
20 recipients of proceeds from tax increment financing bonds issued by Prince George's
21 County or the Revenue Authority of Prince George's County; and

22 (b) On or before December 31, 2010, the County Council of Prince George's
23 County shall report the results of the disparity study to the Prince George's County
24 Senate and House delegations to the Maryland General Assembly.

25 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
26 October 1, 2009.