

HOUSE BILL 213

C8, P2

2lr1395
CF SB 252

By: **Delegates Branch, McIntosh, Anderson, Clippinger, Glenn, Hammen, McHale, Mitchell, Oaks, B. Robinson, and Washington**

Introduced and read first time: January 25, 2012

Assigned to: Economic Matters and Environmental Matters

Reassigned: Environmental Matters and Economic Matters, February 2, 2012

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 19, 2012

CHAPTER _____

1 AN ACT concerning

2 **Baltimore City Community Enhancement Transit-Oriented Development**
3 **Fund**

4 FOR the purpose of establishing the Baltimore City Community Enhancement
5 Transit-Oriented Development Fund for certain purposes; providing that the
6 Fund is a special, nonlapsing fund; providing for the contents and uses of the
7 Fund; requiring that a certain portion of certain revenues from certain projects
8 and certain other money be paid into the Fund; requiring the Comptroller to
9 pay certain money from the Fund to the Mayor and City Council of Baltimore
10 City in a certain manner; authorizing the Mayor and City Council to use or
11 make awards of money received from the Fund for certain purposes; requiring
12 the State Treasurer to invest the money in the Fund in a certain manner;
13 adding the Fund to the list of exceptions to the requirement that the earnings of
14 special funds accrue to the General Fund; stating certain findings of the
15 General Assembly; providing for the application of this Act; providing for the
16 purposes of certain provisions of this Act; defining certain terms; and generally
17 relating to the Baltimore City Community Enhancement Transit-Oriented
18 Development Fund.

19 BY repealing and reenacting, without amendments,
20 Article – Economic Development
21 Section 1-101(e)
22 Annotated Code of Maryland

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

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



1 (2008 Volume and 2011 Supplement)

2 BY adding to

3 Article – Economic Development

4 Section 15–101 through 15–107 to be under the new title “Title 15. Baltimore

5 City Community Enhancement Transit–Oriented Development Fund”

6 Annotated Code of Maryland

7 (2008 Volume and 2011 Supplement)

8 BY repealing and reenacting, without amendments,

9 Article – State Finance and Procurement

10 Section 6–226(a)(2)(i)

11 Annotated Code of Maryland

12 (2009 Replacement Volume and 2011 Supplement)

13 BY repealing and reenacting, with amendments,

14 Article – State Finance and Procurement

15 Section 6–226(a)(2)(ii)62. and 63. and 10–306

16 Annotated Code of Maryland

17 (2009 Replacement Volume and 2011 Supplement)

18 BY adding to

19 Article – State Finance and Procurement

20 Section 6–226(a)(2)(ii)64.

21 Annotated Code of Maryland

22 (2009 Replacement Volume and 2011 Supplement)

23 BY repealing and reenacting, without amendments,

24 Article – Transportation

25 Section 7–101(m)

26 Annotated Code of Maryland

27 (2008 Replacement Volume and 2011 Supplement)

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

30 **Article – Economic Development**

31 1–101.

32 (e) (1) “Qualified distressed county” means a county with:

33 (i) an average rate of unemployment for the most recent
34 24–month period for which data are available that exceeds 150% of the average rate of
35 unemployment for the State during that period; or

1 (ii) an average per capita personal income for the most recent
2 24-month period for which data are available that is equal to or less than 67% of the
3 average per capita personal income for the State during that period.

4 (2) “Qualified distressed county” includes a county that:

5 (i) no longer meets either criterion stated in paragraph (1) of
6 this subsection; but

7 (ii) has met at least one of the criteria at some time during the
8 preceding 24-month period.

9 **TITLE 15. BALTIMORE CITY COMMUNITY ENHANCEMENT TRANSIT-ORIENTED**
10 **DEVELOPMENT FUND.**

11 **15-101.**

12 (A) IN THIS TITLE THE FOLLOWING WORDS HAVE THE MEANINGS
13 INDICATED.

14 (B) “FINANCIAL ASSISTANCE” MEANS A GRANT OR LOAN FROM THE
15 FUND.

16 (C) “FUND” MEANS THE BALTIMORE CITY COMMUNITY ENHANCEMENT
17 TRANSIT-ORIENTED DEVELOPMENT FUND.

18 (D) “QUALIFIED PROJECT AREA” MEANS A COMMUNITY THAT IS:

19 (1) LOCATED IN BALTIMORE CITY; AND

20 (2) DIRECTLY IMPACTED BY AND WITHIN 0.5 MILES OF THE
21 BOUNDARY OF A DEVELOPMENT THAT HAS BEEN DESIGNATED AS A
22 TRANSIT-ORIENTED DEVELOPMENT.

23 (E) “QUALIFIED RECIPIENT” MEANS AN ENTITY THAT IS BASED IN AND
24 SERVES A QUALIFIED PROJECT AREA AND IS:

25 (1) A NOT FOR PROFIT COMMUNITY-BASED ORGANIZATION THAT
26 HAS EXPERIENCE IN MAKING PHYSICAL, HUMAN CAPITAL, AND ECONOMIC
27 INVESTMENTS TO REBUILD COMMUNITIES; OR

28 (2) A COMMUNITY DEVELOPMENT CORPORATION.

29 (F) “TRANSIT-ORIENTED DEVELOPMENT” HAS THE MEANING STATED
30 IN § 7-101 OF THE TRANSPORTATION ARTICLE.

1 **15-102.**

2 (A) **THE GENERAL ASSEMBLY FINDS THAT:**

3 (1) **WHILE STATE AND PRIVATELY FUNDED TRANSIT-ORIENTED**
4 **DEVELOPMENT IS PARAMOUNT AND NECESSARY FOR THE ORDERLY ECONOMIC**
5 **DEVELOPMENT OF THE STATE, SUCH DEVELOPMENT SHOULD BE PURSUED IN A**
6 **MANNER THAT EXTENDS BENEFITS TO AND MINIMIZES NEGATIVE IMPACTS ON**
7 **THE COMMUNITIES IN AND ADJACENT TO THE DEVELOPMENT;**

8 (2) **IN ORDER TO PRESERVE AND ENHANCE THE STATE'S DIVERSE**
9 **CULTURAL FABRIC IN COMMUNITIES AFFECTED BY TRANSIT-ORIENTED**
10 **DEVELOPMENT, IT IS ESSENTIAL FOR THE PUBLIC AND PRIVATE SECTORS TO**
11 **COOPERATE IN DEVELOPING PARTNERSHIPS THAT AIM TO STABILIZE SUCH**
12 **COMMUNITIES;**

13 (3) **IT IS MOST FRUITFUL TO SEEK COMMUNITY INPUT AND**
14 **INVOLVEMENT FROM ORGANIZATIONS IN AREAS AFFECTED BY**
15 **TRANSIT-ORIENTED DEVELOPMENT IN ORDER TO BEST ADDRESS THE**
16 **PHYSICAL, CULTURAL, AND ECONOMIC IMPACTS OF THE DEVELOPMENT; AND**

17 (4) **FOSTERING COMMUNITY-BASED INITIATIVES FOR**
18 **NEIGHBORHOOD STABILITY AND GROWTH IS IN THE PUBLIC INTEREST.**

19 (B) **THE PURPOSE OF THIS TITLE IS TO PROMOTE AND ASSIST**
20 **COMMUNITY-BASED INITIATIVES THAT ENHANCE NEIGHBORHOOD STABILITY**
21 **AND ECONOMIC GROWTH IN COMMUNITIES THAT ARE DIRECTLY IMPACTED BY**
22 **STATE- AND PRIVATELY FUNDED TRANSIT-ORIENTED DEVELOPMENT.**

23 **15-103.**

24 **THIS TITLE APPLIES ONLY IN BALTIMORE CITY.**

25 **15-104.**

26 (A) **THERE IS A BALTIMORE CITY COMMUNITY ENHANCEMENT**
27 **TRANSIT-ORIENTED DEVELOPMENT FUND.**

28 (B) **THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT SUBJECT**
29 **TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.**

30 **15-105.**

1 **(A) THE PURPOSE OF THE FUND IS TO PROMOTE AND ASSIST**
2 **COMMUNITY-BASED INITIATIVES IN QUALIFIED PROJECT AREAS CONSISTENT**
3 **WITH THE PURPOSE OF THIS TITLE.**

4 **(B) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY, AND**
5 **THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.**

6 **(C) (1) THE FUND CONSISTS OF:**

7 **(I) MONEY APPROPRIATED IN THE STATE BUDGET TO THE**
8 **FUND;**

9 **(II) PROCEEDS OF BONDS THAT ARE MADE AVAILABLE FOR**
10 **THE USE OF THE FUND, INCLUDING GENERAL OBLIGATION BONDS AND GRANT**
11 **ANTICIPATION REVENUE VEHICLES;**

12 **(III) MONEY MADE AVAILABLE FOR QUALIFYING USES BY THE**
13 **FUND FROM OTHER GOVERNMENTAL SOURCES, INCLUDING COMMUNITY**
14 **DEVELOPMENT BLOCK GRANTS AND THE MARYLAND TRANSPORTATION TRUST**
15 **FUND;**

16 **(IV) CONTRIBUTIONS TO THE FUND MADE BY THE PRIVATE**
17 **DEVELOPERS OF THE RELEVANT TRANSIT-ORIENTED DEVELOPMENT;**

18 **(V) GROUND RENTS OR LAND SALE PROCEEDS IN**
19 **ACCORDANCE WITH § 10-306(C)(1) OF THE STATE FINANCE AND**
20 **PROCUREMENT ARTICLE;**

21 **(VI) PAYMENTS OF PRINCIPAL OF AND INTEREST ON LOANS**
22 **MADE UNDER THIS TITLE;**

23 **(VII) INVESTMENT EARNINGS OF THE FUND; AND**

24 **(VIII) ANY OTHER MONEY FROM ANY OTHER SOURCE, PUBLIC**
25 **OR PRIVATE, ACCEPTED FOR THE BENEFIT OF THE FUND.**

26 **(2) CONTRIBUTIONS TO THE FUND UNDER PARAGRAPH (1)(IV) OF**
27 **THIS SUBSECTION SHALL BE SEPARATELY ACCOUNTED FOR IN THE FUND SO**
28 **THAT THE REVENUE DERIVED FROM A DEVELOPMENT IN A PARTICULAR**
29 **QUALIFIED PROJECT AREA SHALL RETURN TO A QUALIFIED RECIPIENT IN THAT**
30 **QUALIFIED PROJECT AREA.**

31 **(3) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE**
32 **COMPTROLLER SHALL:**

1 **(I) PAY MONEY IN THE FUND IN ANNUAL INSTALLMENTS TO**
2 **THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY; AND**

3 **(II) ENSURE THAT THE MONEY IN THE FUND IS**
4 **DISTRIBUTED IN THE MANNER THAT BEST ACCOMPLISHES THE PURPOSE OF**
5 **THE FUND UNDER THIS TITLE.**

6 **15-106.**

7 **THE FUND MAY BE USED BY THE MAYOR AND CITY COUNCIL OF**
8 **BALTIMORE CITY OR AWARDED TO A QUALIFIED RECIPIENT BY THE MAYOR**
9 **AND CITY COUNCIL ONLY FOR:**

10 **(1) OPERATING SUPPORT FOR OR BUILDING THE CAPACITY OF**
11 **QUALIFIED RECIPIENTS;**

12 **(2) ECONOMIC AND PHYSICAL IMPROVEMENTS TO THE**
13 **COMMUNITY THROUGH PROJECTS THAT REINVEST IN AND REVITALIZE THE**
14 **COMMUNITY;**

15 **(3) THE DEVELOPMENT OF WOMEN-OWNED, MINORITY-OWNED,**
16 **AND SMALL BUSINESSES;**

17 **(4) THE DEVELOPMENT OF RECREATIONAL FACILITIES, PARKS,**
18 **OR IMPROVEMENTS TO THE NATURAL ENVIRONMENT;**

19 **(5) THE DEVELOPMENT AND PRESERVATION OF AFFORDABLE**
20 **AND WORKPLACE HOUSING;**

21 **(6) EXPANSION OF SCHOOL PROGRAMS AND CAPITAL**
22 **IMPROVEMENTS TO SCHOOL FACILITIES THAT SERVE THE AREA;**

23 **(7) JOB TRAINING AND WORKFORCE DEVELOPMENT; OR**

24 **(8) COUNSELING FOR HOUSING AND SMALL BUSINESS**
25 **DEVELOPMENT.**

26 **15-107.**

27 **(A) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND**
28 **IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.**

1 **(B) ANY INVESTMENT EARNINGS OF THE FUND SHALL BE PAID INTO**
 2 **THE FUND.**

3 **Article – State Finance and Procurement**

4 6–226.

5 (a) (2) (i) Notwithstanding any other provision of law, and unless
 6 inconsistent with a federal law, grant agreement, or other federal requirement or with
 7 the terms of a gift or settlement agreement, net interest on all State money allocated
 8 by the State Treasurer under this section to special funds or accounts, and otherwise
 9 entitled to receive interest earnings, as accounted for by the Comptroller, shall accrue
 10 to the General Fund of the State.

11 (ii) The provisions of subparagraph (i) of this paragraph do not
 12 apply to the following funds:

13 62. Veterans Trust Fund; [and]

14 63. Transportation Trust Fund; AND

15 64. BALTIMORE CITY COMMUNITY ENHANCEMENT
 16 TRANSIT-ORIENTED DEVELOPMENT FUND.

17 10–306.

18 (a) In this section, “capital asset” means an asset of a substantial permanent
 19 nature.

20 (b) If the consideration received for the disposition of any real or personal
 21 property of the State or any unit of the State government is other real or personal
 22 property, the real or personal property received shall be held and accounted for in the
 23 same manner as other property under the jurisdiction and control of the unit of the
 24 State government that receives the real or personal property.

25 (c) (1) Except as provided in [paragraph (2)] **PARAGRAPHS (2) AND (3)**
 26 of this subsection, if cash is received as consideration for the disposition of a capital
 27 asset of the State or any unit of the State government, the cash shall be applied to the
 28 State Annuity Bond Fund Account for the payment of the principal of and interest on
 29 the bonded indebtedness of the State.

30 **(2) IF THE CAPITAL ASSET IS REAL PROPERTY THAT IS BEING**
 31 **LEASED OR SOLD TO A PRIVATE PARTY FOR THE PURPOSE OF REALIZING A**
 32 **TRANSIT-ORIENTED DEVELOPMENT AS DEFINED UNDER § 7–101 OF THE**
 33 **TRANSPORTATION ARTICLE, AT THE DISCRETION OF THE STATE AGENCY THAT**
 34 **IS DISPOSING OF THE PROPERTY, ALL OR A PORTION OF THE CASH PROCEEDS**

1 **RESULTING FROM THE TRANSACTION SHALL BE DEPOSITED IN THE BALTIMORE**
2 **CITY COMMUNITY ENHANCEMENT TRANSIT-ORIENTED DEVELOPMENT FUND**
3 **ESTABLISHED UNDER TITLE 15 OF THE ECONOMIC DEVELOPMENT ARTICLE**
4 **FOR THE PURPOSES OF THAT FUND.**

5 **[(2)] (3)** (i) If cash is received as consideration for the disposition
6 of a capital asset, and if the capital asset was originally purchased with special funds,
7 the cash shall be applied to the special fund.

8 (ii) Notwithstanding subparagraph (i) of this paragraph, cash
9 received as consideration for the disposition of helicopters, auxiliary helicopter
10 equipment, ground support equipment, or other capital equipment related to
11 helicopters shall be applied to the State Annuity Bond Fund Account for the payment
12 of the principal of and interest on the bonded indebtedness of the State.

13 **[(3)] (4)** If cash is received as consideration for the disposition of any
14 real or personal property of the State or any unit of the State government, other than
15 a capital asset, the cash shall be accounted for and paid into the State Treasury.

16 **Article – Transportation**

17 7–101.

18 (m) “Transit-oriented development” means a mix of private or public parking
19 facilities, commercial and residential structures, and uses, improvements, and
20 facilities customarily appurtenant to such facilities and uses, that:

21 (1) Is part of a deliberate development plan or strategy involving:

22 (i) Property that is adjacent to the passenger boarding and
23 alighting location of a planned or existing transit station; or

24 (ii) Property, any part of which is located within one-half mile
25 of the passenger boarding and alighting location of a planned or existing transit
26 station;

27 (2) Is planned to maximize the use of transit, walking, and bicycling
28 by residents and employees; and

29 (3) Is designated as a transit-oriented development by:

30 (i) The Secretary, after considering a recommendation of the
31 Smart Growth Subcabinet established under § 9–1406 of the State Government
32 Article; and

1 (ii) The local government or multicounty agency with land use
2 and planning responsibility for the relevant area.

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
4 October 1, 2012.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.