

COUNTY COUNCIL OF BALTIMORE COUNTY, MARYLAND  
Legislative Session 2013, Legislative Day No. 5

Bill No. 15-13

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Mr. Tom Quirk, Chairman  
By Request of County Executive

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By the County Council, March 4, 2013

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A BILL  
ENTITLED

AN ACT concerning

Building Improvement Loan Fund

FOR the purpose of establishing the Building Improvement Loan Fund within the Economic Development Revolving Financing Fund; providing for the purposes of the Fund; providing for the source of financing to the Fund; providing for joint administration of the Fund by the Directors of Budget and Finance and Planning; providing for application for and approval of financial assistance from the Fund; providing limits on financial assistance from the Fund including maximum costs and years under certain circumstances; providing for security for financial assistance from the Fund; requiring a notice of intent to the County Council; authorizing the County Council to approve or reject certain financial assistance; requiring the Director of Planning to provide the County Council with a certain quarterly report; requiring fees to be paid for application and approval of certain financial assistance; and generally relating to the establishment of the Building Improvement Loan Fund within the Economic Development Revolving Financing Fund.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.  
[Brackets] indicate matter stricken from existing law.  
~~Strike out~~ indicates matter stricken from bill.  
Underlining indicates amendments to bill.

By repealing and reenacting, with amendments  
Sections 10-10-104(b) and (c) and 10-10-105  
Article 10. Finance  
Title 10. Economic Development Revolving Financing Fund  
Baltimore County Code, 2003

By adding  
Sections 10-10-201 through 10-10-207  
Article 10. Finance  
Title 10. Economic Development Revolving Financing Fund  
Subtitle 2. Building Improvement Loan Fund  
Baltimore County Code, 2003

1 SECTION 1. BE IT ENACTED BY THE COUNTY COUNCIL OF BALTIMORE  
2 COUNTY, MARYLAND, that the Laws of Baltimore County shall read as follows:

3 Article 10. Finance

4 Title 10. Economic Development Revolving Financing Fund.

5 SUBTITLE 1. IN GENERAL.

6 10-10-104.

7 (b) (1) [The] EXCEPT AS PROVIDED IN SUBTITLE 2 OF THIS TITLE, THE  
8 Director of Economic Development shall recommend, and the Director of Budget and Finance  
9 shall approve, the rates to be charged and the terms for the financial assistance provided under  
10 this title.

11 (c) In consultation with the Director of Budget and Finance, the Director of  
12 Economic [Development] DEVELOPMENT, OR THE DIRECTOR OF PLANNING, AS  
13 APPLICABLE, shall determine the terms of and the method and procedures for accounting for:

- 14 (1) Financial assistance from the Fund; and  
15 (2) Payments by or charges against the Fund.

1 § 10-10-105.

2 (a) THIS SECTION DOES NOT APPLY TO A LOAN ISSUED UNDER SUBTITLE 2  
3 OF THIS TITLE.

4 (B) An applicant for financial assistance shall apply on a form required by the Directors  
5 of Budget and Finance and Economic Development.

6 [(b)] (C) The financial assistance application form shall require an applicant to  
7 supply information necessary to evaluate the requested financial assistance including:

- 8 (1) Need;
- 9 (2) Financial ability of the applicant;
- 10 (3) Sources of repayment;
- 11 (4) Proposed costs and expenditures;
- 12 (5) Fair value of completed projects;
- 13 (6) Normal or useful life of equipment or buildings;
- 14 (7) Security for the transaction;
- 15 (8) Contribution to the economy of the county; and
- 16 (9) Any other information that may be appropriate or useful in evaluating the  
17 application.

18 [(c)] (D) The Director of Economic Development:

- 19 (1) Shall review financial assistance applications for need and financial ability  
20 of the applicant; and
- 21 (2) May approve a financial assistance application up to the amount  
22 requested, if sufficient monies exist in the fund.

1            [(d)] (E)        To assist the Director of Economic Development and to assure compliance  
2 with generally accepted accounting principles and borrowing purposes, the Director of Budget  
3 and Finance may:

- 4            (1)        Review the applications, financial status, and other information; and
- 5            (2)        Advise the Director of Economic Development.

6                            SUBTITLE 2. BUILDING IMPROVEMENT LOAN FUND.

7        § 10-10-201.

8            THERE IS A BUILDING IMPROVEMENT LOAN FUND WITHIN THE ECONOMIC  
9 DEVELOPMENT REVOLVING FINANCING FUND.

10       § 10-10-202.

11            (A)    THE PURPOSE OF THE FUND IS TO:

12            (1)        PROVIDE SMALL BUSINESS OWNERS WITH CAPITAL FUNDS TO  
13 MAKE SITE IMPROVEMENTS;

14            (2)        PROVIDE SMALL BUSINESS OWNERS WITH CAPITAL FUNDS TO  
15 MAKE IMPROVEMENTS TO THE EXTERIOR FAÇADES OF THEIR BUILDINGS; AND

16            (3)        PROVIDE SMALL BUSINESS OWNERS WITH CAPITAL FUNDS TO  
17 MAKE IMPROVEMENTS TO THE INTERIORS OF THEIR BUILDINGS.

18            (B)    (1)    THE FUND MAY PROVIDE FINANCIAL ASSISTANCE IN THE FORM  
19 OF LOANS, GUARANTEES, AND GRANTS FOR THE BENEFIT OF EXISTING AND  
20 POTENTIAL COMMERCIAL BUSINESSES IN BALTIMORE COUNTY TO FINANCE:

21                            (I) SITE IMPROVEMENTS;

22                            (II) FAÇADE RENOVATIONS AND ASSOCIATED COSTS; ~~AND~~ OR

1 (III) MACHINERY AND EQUIPMENT.

2 (2) THE COUNTY'S FINANCIAL ASSISTANCE UNDER THIS SUBTITLE  
3 MAY SUPPLEMENT OTHER FEDERAL, STATE AND COUNTY FINANCIAL  
4 ASSISTANCE PROGRAMS.

5 (C) THE FUND MAY BE USED TO PARTICIPATE WITH OTHER  
6 GOVERNMENT AGENCIES OR PRIVATE SECTOR INSTITUTIONS TO LEVERAGE  
7 FUNDING FOR SPECIAL PROJECTS.

8 § 10-10-203.

9 (A) THE FUND MAY BE FINANCED FROM:

10 (1) CURRENT EXPENSE BUDGET FUNDS; AND

11 (2) ANY OTHER FUNDS DESIGNATED AND PROVIDED BY THE  
12 COUNTY.

13 (B) MONIES PROVIDED TO THE FUND UNDER SUBSECTION (A) OF THIS  
14 SECTION SHALL BE TREATED AS A GRANT TO THE FUND.

15 (C) THE DIRECTOR OF BUDGET AND FINANCE SHALL DEPOSIT IN THE  
16 FUND THE MONIES COLLECTED FOR PRINCIPAL AND INTEREST ON THE LOANS  
17 AND ANY AUTHORIZED LOAN CHARGES AND FEES ON TRANSACTIONS  
18 AUTHORIZED UNDER THIS SUBTITLE.

19 (D) THE FUND SHALL CONTINUE FROM YEAR TO YEAR.

20 (E) THE FUND SHALL BE CHARGED FOR THE EXPENSES OF  
21 ADMINISTERING THE PROVISIONS OF THIS SUBTITLE.

1 (F) IF THE COUNTY COUNCIL DISSOLVES THE FUND, THE MONIES IN THE  
2 FUND AND ALL MONIES DUE AND OWING AT THE TIME SHALL REVERT TO THE  
3 GENERAL FUND OF THE COUNTY.

4 § 10-10-204.

5 (A) THE DIRECTOR OF PLANNING AND THE DIRECTOR OF BUDGET AND  
6 FINANCE SHALL ADMINISTER THE FUND ACCORDING TO ACCEPTED PRINCIPLES  
7 OF SOUND ACCOUNTING AND FISCAL MANAGEMENT.

8 (B) THE DIRECTOR OF PLANNING SHALL RECOMMEND, AND THE  
9 DIRECTOR OF BUDGET AND FINANCE SHALL APPROVE, THE RATES TO BE  
10 CHARGED AND THE TERMS FOR THE FINANCIAL ASSISTANCE PROVIDED UNDER  
11 THIS SUBTITLE.

12 (C) IN CONSULTATION WITH THE DIRECTOR OF BUDGET AND FINANCE,  
13 THE DIRECTOR OF PLANNING SHALL DETERMINE THE TERMS OF AND THE  
14 METHOD AND PROCEDURES FOR ACCOUNTING FOR:

15 (1) FINANCIAL ASSISTANCE FROM THE FUND; AND

16 (2) PAYMENTS BY OR CHARGES AGAINST THE FUND.

17 (D) THE DIRECTOR OF BUDGET AND FINANCE SHALL:

18 (1) COLLECT REPAYMENTS ON ACCOUNTS, SUBJECT TO THE  
19 TERMS AND CONDITIONS CONTAINED IN THE FINANCIAL ASSISTANCE  
20 DOCUMENTS; AND

21 (2) MAINTAIN RECORDS IN ACCORDANCE WITH GENERALLY

1 ACCEPTED ACCOUNTING PRINCIPLES.

2 § 10-10-205.

3 (A) AN APPLICANT FOR FINANCIAL ASSISTANCE SHALL APPLY ON A  
4 FORM REQUIRED BY THE DIRECTORS OF BUDGET AND FINANCE AND PLANNING.

5 (B) THE FINANCIAL ASSISTANCE APPLICATION FORM SHALL REQUIRE  
6 AN APPLICANT TO SUPPLY INFORMATION NECESSARY TO EVALUATE THE  
7 REQUESTED FINANCIAL ASSISTANCE INCLUDING:

8 (1) NEED;

9 (2) FINANCIAL ABILITY OF THE APPLICANT;

10 (3) SOURCES OF REPAYMENT;

11 (4) PROPOSED COSTS AND EXPENDITURES;

12 (5) FAIR MARKET VALUE OF COMPLETED PROJECTS;

13 (6) NORMAL OR USEFUL LIFE OF EQUIPMENT OR BUILDINGS;

14 (7) SECURITY FOR THE TRANSACTION;

15 (8) CONTRIBUTION TO THE ENHANCEMENT OF THE COMMERCIAL  
16 CORRIDOR WHERE THE PROPERTY IS LOCATED; AND

17 (9) ANY OTHER INFORMATION THAT MAY BE APPROPRIATE OR  
18 USEFUL IN EVALUATING THE APPLICATION.

19 (C) THE DIRECTOR OF PLANNING:

20 (1) SHALL REVIEW FINANCIAL ASSISTANCE APPLICATIONS FOR

1 NEED AND FINANCIAL ABILITY OF THE APPLICANT; AND

2 (2) MAY APPROVE A FINANCIAL ASSISTANCE APPLICATION UP TO  
3 THE AMOUNT REQUESTED IF SUFFICIENT MONIES EXIST IN THE FUND.

4 (D) TO ASSIST THE DIRECTOR OF PLANNING AND TO ASSURE  
5 COMPLIANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES AND  
6 BORROWING PURPOSES, THE DIRECTOR OF BUDGET AND FINANCE MAY:

7 (1) REVIEW THE APPLICATIONS, FINANCIAL STATUS, AND OTHER  
8 INFORMATION; AND

9 (2) ADVISE THE DIRECTOR OF PLANNING.

10 § 10-10-206.

11 (A) THE DIRECTOR OF PLANNING MAY LEND, GUARANTEE, OR GRANT TO  
12 BUSINESSES UP TO 90% OF THE COST OF:

13 (1) SITE IMPROVEMENTS;

14 (2) REHABILITATION, REPAIR AND IMPROVEMENT OF BUILDINGS;

15 ~~AND~~ OR

16 (3) THE COST OF ACQUISITION OF MACHINERY AND EQUIPMENT.

17 (B) THE TERM OF A LOAN OR GUARANTEE MADE UNDER THIS SUBTITLE  
18 MAY NOT EXCEED 10 YEARS.

19 (C) THE 10-YEAR TERM LIMITATION UNDER SUBSECTION (B) OF THIS  
20 SECTION DOES NOT APPLY TO FUNDING FOR SPECIAL PROJECTS UNDER § 10-10-  
21 202(C) OF THIS SUBTITLE.



1 (D) TO PERFECT AND PROTECT THE COUNTY'S FINANCIAL POSITION, THE  
2 DEPARTMENT OF PLANNING, THE OFFICE OF BUDGET AND FINANCE, AND THE  
3 OFFICE OF LAW SHALL REQUIRE THE RECIPIENT OF A LOAN OR GUARANTEE  
4 UNDER THIS SUBTITLE TO SECURE THE LOAN OR GUARANTEE BY:

- 5 (1) APPROPRIATE NOTES;
- 6 (2) SECURITY AGREEMENTS;
- 7 (3) FINANCING STATEMENTS;
- 8 (4) MORTGAGES OR DEEDS OF TRUST; OR
- 9 (5) ANY OTHER DOCUMENTS OR INSTRUMENTS.

10 (E) (1) THE RECIPIENT OF FINANCIAL ASSISTANCE UNDER THIS  
11 SUBTITLE SHALL ARRANGE TO HAVE AN ANNUAL AUDIT OF ITS BOOKS,  
12 ACCOUNTS, AND RECORDS BY ~~THE COUNTY~~ AN ACCOUNTANT.

13 (2) THE RECIPIENT SHALL DELIVER A COPY OF THE AUDIT TO THE  
14 DIRECTOR OF PLANNING AND THE DIRECTOR OF BUDGET AND FINANCE.

15 (3) IF THE RECIPIENT FAILS TO ARRANGE FOR AN AUDIT, THE  
16 DIRECTOR OF BUDGET AND FINANCE OR THE DIRECTOR'S DESIGNEE MAY  
17 EXAMINE, AT THE EXPENSE OF THE RECIPIENT, THE ACCOUNTS AND BOOKS OF  
18 THE RECIPIENT, INCLUDING ITS RECEIPTS, DISBURSEMENTS, CONTRACTS,  
19 LEASES, INVESTMENTS, AND ANY OTHER MATTERS RELATING TO ITS FINANCES,  
20 OPERATION, AND AFFAIRS.

21 (F) IF THEY CONCUR, THE DIRECTOR OF PLANNING, THE DIRECTOR OF  
22 BUDGET AND FINANCE, AND THE COUNTY ADMINISTRATIVE OFFICER MAY  
23 MODIFY THE FINANCIAL ASSISTANCE REQUIREMENTS ESTABLISHED IN THIS

1 SECTION.

2 (G) (1) THE DIRECTOR OF PLANNING, THROUGH THE COUNTY  
3 ADMINISTRATIVE OFFICER, SHALL PROVIDE WRITTEN NOTIFICATION TO THE  
4 SECRETARY OF THE COUNTY COUNCIL AND EACH MEMBER OF THE COUNTY  
5 COUNCIL OF THE DIRECTOR'S INTENT TO PROVIDE FINANCIAL ASSISTANCE  
6 UNDER THIS SUBTITLE.

7 (2) IF THE DIRECTOR HAS NOT RECEIVED A WRITTEN NOTICE  
8 FROM THE COUNCIL OBJECTING TO THE DIRECTOR'S INTENT WITHIN 7 DAYS  
9 AFTER THE DAY THAT THE DIRECTOR'S NOTICE IS DELIVERED TO THE COUNCIL  
10 MEMBERS, THE DIRECTOR OF PLANNING MAY PROCEED TO PROVIDE FINANCIAL  
11 ASSISTANCE AS DESCRIBED.

12 (H) THE DIRECTOR OF PLANNING SHALL PROVIDE THE SECRETARY OF  
13 THE COUNTY COUNCIL AND EACH MEMBER OF THE COUNTY COUNCIL WITH A  
14 QUARTERLY REPORT THAT OUTLINES THE FINANCIAL ASSISTANCE THAT HAS  
15 BEEN PROVIDED UNDER THIS SUBTITLE.

16 § 10-10-207.

17 (A) SUBJECT TO ARTICLE 3, TITLE 1, SUBTITLE 2 OF THE CODE, THE  
18 COUNTY ADMINISTRATIVE OFFICER MAY CHARGE FEES FOR THE APPLICATION  
19 FOR AND APPROVAL OF FINANCIAL ASSISTANCE UNDER THIS SUBTITLE.

20 (B) PROCEEDS FROM FEES CHARGED FOR FINANCIAL ASSISTANCE FROM  
21 COUNTY FUNDS SHALL BE DEPOSITED IN THE FUND AND EXPENDED IN  
22 ACCORDANCE WITH THIS SUBTITLE.

1           (C)   PROCEEDS FROM FEES CHARGED FOR FINANCIAL ASSISTANCE FROM  
2   FEDERAL OR STATE GRANT MONIES SHALL BE DEPOSITED IN THE FUND AND  
3   EXPENDED IN ACCORDANCE WITH THE TERMS OF THE FEDERAL OR STATE  
4   GRANTS.

5           SECTION 2. AND BE IT FURTHER ENACTED, that this Act, having passed by the  
6   affirmative vote of five members of the County Council, shall take effect on April 14, 2013.