

FINAL

COUNTY COUNCIL OF ANNE ARUNDEL COUNTY, MARYLAND

Legislative Session 2014, Legislative Day No. 4

Bill No. 8-14

Introduced by Mr. Grasso, Chairman
(by request of the County Executive)

By the County Council, February 18, 2014

Introduced and first read on February 18, 2014
Public Hearing set for and held on March 17, 2014
Bill Expires May 24, 2014

By Order: Elizabeth E. Jones, Administrative Officer

A BILL ENTITLED

1 AN ORDINANCE concerning: the issuance, sale and delivery of special obligation
2 refunding bonds in an aggregate principal amount not to exceed \$33,258,000 to be
3 secured by taxes levied on the tax increment on property in the Route 100
4 Development District, special taxes on property in the Arundel Mills Special Taxing
5 District and a guaranty agreement provided by Anne Arundel County, Maryland to
6 refund or otherwise retire all or a portion of the outstanding principal amount of the
7 Anne Arundel County, Maryland Special Obligation Refunding Bonds (Arundel Mills
8 Project), Series 2004 and determining certain terms and provisions in connection with
9 the issuance, sale and payment of such bonds.

10
11 FOR the purpose of authorizing the issuance, sale and delivery by Anne Arundel County,
12 Maryland (the "County") of special obligation refunding bonds pursuant to Section
13 19-207 of the Local Government Article of the Annotated Code of Maryland (2013
14 Replacement Volume) (the "Refunding Act"), Sections 12-201 through 12-213 of the
15 Economic Development Article of the Annotated Code of Maryland (2008 Volume
16 and 2013 Supplement) (the "Tax Increment Act"), and Subtitle 5 of Title 21 of the
17 Local Government Article of the Annotated Code of Maryland (2013 Replacement
18 Volume) and Sections 4-8-101 through 4-8-106 of the Anne Arundel County Code, as
19 amended (together, the "Special Taxing District Act") in an aggregate principal
20 amount not to exceed \$33,258,000 to refund or otherwise retire all or a portion of the
21 outstanding principal amount of the Anne Arundel County, Maryland Special
22 Obligation Refunding Bonds (Arundel Mills Project), Series 2004 dated as of May
23 11, 2004 (the "2004 Bonds") in order to achieve debt service savings for the County
24 in each year on a direct comparison basis or present value basis; providing that
25 special obligation refunding bonds may be issued from time to time; providing for the
26 payment of costs and expenses related to the issuance of the special obligation

1 refunding bonds; making certain findings and determinations, among others, that a
2 debt service reserve fund is not required as result of the County providing a guaranty
3 agreement securing such special obligation bonds and concerning the public benefit
4 and purpose of such special obligation refunding bonds; providing that such special
5 obligation refunding bonds shall be payable, first, from the amounts levied on the tax
6 increment on property in the Route 100 Development District and deposited in the
7 Route 100 Development District Tax Increment Fund (the "Development District
8 Special Fund") created pursuant to Resolution No. 29-98 passed by the County
9 Council of the County (the "County Council") on August 3, 1998 and approved by
10 the County Executive of the County (the "County Executive") on August 10, 1998,
11 and, second, to the extent the Development District Special Fund does not contain
12 money in an amount sufficient for payment of debt service on such special obligation
13 refunding bonds and to the extent amounts are required for deposit in funds and
14 accounts created within the indenture providing for the issuance of such bonds to
15 replenish deficiencies therein, from the special tax to be levied on the property in the
16 Arundel Mills Special Taxing District and deposited in the Special Tax Fund created
17 pursuant to Bill No. 63-98, passed by the County Council on August 3, 1998,
18 approved by the County Executive and enacted on August 10, 1998, as amended by
19 Bill No. 101-98, passed by the County Council on October 19, 1998, approved by the
20 County Executive and enacted on October 24, 1998 and from other funds pursuant to
21 the provisions of such indenture; providing that such special obligation refunding
22 bonds shall further be secured by a guaranty agreement provided by the County that
23 obligates the County to timely pay the principal of and interest on the special
24 obligation refunding bonds; pledging the full faith and credit of the County, subject to
25 the limitation on the tax levy set out in Section 710(d) of the County Charter, to make
26 payments under the guaranty agreement in the event that sufficient funds for the
27 timely payment of principal of and interest on the special obligation refunding bonds
28 when due are not available from the Development District Special Fund and the
29 Special Tax Fund or otherwise; covenanting that, in each tax year during which any
30 such payments of principal of or interest on the special obligation refunding bonds are
31 required to be paid under the guaranty agreement, the County will appropriate
32 sufficient funds in the Current Expense Budget to pay such principal and interest due
33 in such tax year, and further covenanting that, to the extent any such appropriation is
34 not offset by funds from other sources or revenues, the County will, subject to the
35 limitation on the tax levy set out in Section 710(d) of the County Charter, fund any
36 such appropriation by the levy of ad valorem taxes on real estate, tangible personal
37 property and intangible personal property subject to taxation by the County, and in
38 addition, on such other intangible property as may be subject to taxation by the
39 County within limitations prescribed by law; providing that the special obligation
40 refunding bonds may be sold at private (negotiated) sale; providing that the County
41 Executive may determine the terms and conditions for redemption and retirement of
42 the 2004 Bonds; authorizing the County Executive to specify, prescribe, determine,
43 provide for and approve certain details, forms, documents and procedures in
44 connection with such special obligation refunding bonds and any other matters
45 necessary or desirable in connection with the authorization, issuance, sale and
46 payment of such special obligation refunding bonds and such other documents as may
47 be necessary and desirable to effectuate the issuance, sale and delivery of such special
48 obligation refunding bonds; and generally providing for, and determining various

1 matters in connection with, the issuance, sale, delivery and payment of such special
2 obligation refunding bonds.

RECITALS

3 Resolution No. 29-98 passed by the County Council (the "County Council") of Anne
4 Arundel County, Maryland (the "County") on August 3, 1998 and approved by the
5 County Executive of the County (the "County Executive") on August 10, 1998 (the
6 "Development District Resolution" or "Resolution 29-98") created the Route 100
7 Development District and the special fund known as the "Route 100 Development
8 District Tax Increment Fund" (the "Development District Special Fund").
9

10 Bill No. 63-98, which was passed by the County Council on August 3, 1998,
11 approved by the County Executive and enacted August 10, 1998, as amended by Bill No.
12 101-98 of the County Council passed on October 19, 1998, approved by the County
13 Executive and enacted on October 24, 1998 ("Bill No. 63-98," and together with
14 Resolution 29-98, the "1998 Ordinance"), established the Arundel Mills District Special
15 Fund (the "Special Tax Fund") and authorized the levy and imposition of a special tax to
16 be known as the "Arundel Mills District Special Tax" upon all real and personal property
17 within the Arundel Mills Special Taxing District (the "Special Taxing District") in the
18 manner and through the application of the Rate and Method of Apportionment of Arundel
19 Mills Special Tax (the "Rate and Method"), attached as Exhibit C to Bill No. 63-98 and
20 made apart thereof. The Route 100 Development District and the Arundel Mills Special
21 Taxing District (collectively, the "District") are geographically coincident.
22

23 The County issued its \$28,000,000 Anne Arundel County, Maryland Special
24 Obligation Bonds (Arundel Mills Project), Series 1999 dated as of December 1, 1999 (the
25 "1999 Bonds") pursuant to (i) Sections 12-201 through 12-213, inclusive, of the
26 Economic Development Article of the Annotated Code of Maryland, as amended
27 (formerly codified as Sections 14-201 through 14-214 of Article 41 of the Annotated
28 Code of Maryland) (the "Tax Increment Act"), (ii) Subtitle 5 of Title 21 of the Local
29 Government Article of the Annotated Code of Maryland, as amended (formerly codified
30 as Article 24, Section 9-1301 of the Annotated Code of Maryland) (the "State Special
31 Taxing District Act"), (iii) Sections 4-8-101 through 4-8-106 of the Anne Arundel
32 County Code, as amended (formerly Article 6, Sections 4A-101 through 4A-106 of Title
33 4A of the Anne Arundel County Code) (the "County Special Taxing District Act" and
34 together with the State Special Taxing District Act, the "Special Taxing District Act"),
35 (iv) the 1998 Ordinance, and (v) the Indenture of Trust dated as of December 1, 1999, by
36 and between the County and Manufacturers and Traders Trust Company (the successor to
37 Allfirst Trust Company National Association), as trustee.

38 The 1999 Bonds were used to finance a portion of the costs of certain infrastructure
39 improvements relating to the District, including construction of a new interchange along
40 the Baltimore-Washington Parkway, provision of additional traffic lanes between
41 Maryland Route 100 and Maryland Route 175, the addition of a left-turn lane from Ridge
42 Road to Maryland Route 100, the widening of the Maryland Route 100 on-ramp, the
43 extension of the Ridge Road acceleration lane, the construction of Arundel Mills

1 Boulevard, the relocation of Ridge Road, the widening of Dorsey Road and water, sewer
2 and other utilities.

3
4 The County issued its \$30,350,000 Anne Arundel County, Maryland Special
5 Obligation Refunding Bonds (Arundel Mills Project), Series 2004 dated as of May 11,
6 2004 (the "2004 Bonds") pursuant to (i) the Tax Increment Act, (ii) Special Taxing
7 District Act, (iii) Section 19-207 of the Local Government Article of the Annotated Code
8 of Maryland, as amended (formerly codified as Section 24 of Article 31 of the Annotated
9 Code of Maryland) (the "Refunding Act"), (iv) the 1998 Ordinance, (v) Bill No. 8-04,
10 which was passed by the County Council on March 15, 2004 and approved by the County
11 Executive and enacted March 18, 2004 (the "2004 Ordinance"), and (vi) the Indenture of
12 Trust dated as of May 1, 2004, by and between the County and Manufacturers and
13 Traders Trust Company (the "2004 Indenture"), in order to refund or otherwise retire all
14 or a portion of the outstanding aggregate principal amount of the 1999 Bonds to achieve
15 savings on a direct comparison basis.

16
17 The 2004 Bonds are secured by the proceeds of tax collections arising from the
18 taxation of the increase, if any, in the appraised value of real property located in the
19 District since January 1, 1997 and, to the extent the revenues from the tax increment are
20 insufficient, from the Arundel Mills District Special Tax to be levied on the taxable
21 parcels within the District. The 2004 Bonds were further secured by a guaranty
22 agreement provided by the County that obligates the County to timely pay the principal
23 of and interest on the 2004 Bonds.

24
25 The County has determined that refunding or otherwise retiring all or a portion of the
26 outstanding principal amount of the 2004 Bonds in the manner provided for in this
27 Ordinance will realize debt service savings for the County. The County has therefore
28 determined to authorize the issuance of special obligation refunding bonds the proceeds
29 of which will be used to refund or otherwise retire all or a portion of the outstanding
30 aggregate principal amount of the 2004 Bonds to achieve savings on a direct comparison
31 basis. The County also has determined to provide for repayment of such special
32 obligation refunding bonds from the proceeds of tax collections arising from the taxation
33 of the increase, if any, in the appraised value of real property located in the District since
34 January 1, 1997 and, to the extent the revenues from the tax increment are insufficient,
35 from the Arundel Mills District Special Tax to be levied on the taxable parcels within the
36 District. In addition, the County has determined to further secure repayment by
37 providing a County guarantee of repayment of the principal of and interest on the special
38 obligation refunding bonds, as further provided in this Ordinance.

39
40 SECTION 1. Be it enacted by the County Council of Anne Arundel County,
41 Maryland, That:

42
43 (1) Defined terms used in this Ordinance shall have the meanings given such words
44 in the Recitals set forth above or otherwise, unless the context clearly requires a contrary
45 meaning.

46
47 In addition, the following words shall have the meanings specified:
48

1 A. "Assessable Base" shall have the meaning set forth in Section 12-201(c) of the
2 Tax Increment Act.

3
4 B. "Assessment Ratio" shall have the meaning set forth in Section 12-201(d) of
5 the Tax Increment Act.

6
7 C. "Bonds" means the 2004 Bonds and the Refunding Bonds.

8
9 D. "Original Taxable Value" shall have the meaning set forth in Section 12-
10 201(l) of the Tax Increment Act;

11
12 E. "Principal Amount" means the bona fide offering price of the Refunding
13 Bonds to the public;

14
15 F. "Refunding Act" shall mean Section 19-207 of Local Government Article of
16 the Annotated Code of Maryland, as amended (2013 Replacement Volume);

17
18 G. "Refunding Bonds" shall mean the special obligation refunding bonds
19 authorized in Section 2 of this Ordinance;

20
21 H. "Tax Increment" shall have the meaning set forth in Section 12-201(n) of the
22 Tax Increment Act and means for any Tax Year the amount by which the Assessable
23 Base as of January 1 preceding that Tax Year exceeds the Original Taxable Value divided
24 by the Assessment Ratio used to determine the Original Taxable Value; and

25
26 I. "Tax Year" shall have the meaning set forth in Section 12-201(o) of the Tax
27 Increment Act.

28
29 The Tax Increment shall be determined and the proceeds of the levy on the Tax
30 Increment shall be applied to the payment of the Refunding Bonds in accordance with the
31 Tax Increment Act as in effect on the date of enactment of this Ordinance. The
32 provisions of this Ordinance shall govern in the event of any inconsistency between this
33 Ordinance and any previously adopted or enacted resolution or ordinance.

34
35 (2) Acting pursuant to the Refunding Act, the Tax Increment Act and the Special
36 Taxing District Act, it is hereby found and determined that the issuance of Refunding
37 Bonds for the purpose of refunding or otherwise retiring all or a portion of the
38 outstanding aggregate principal amount of the 2004 Bonds to realize debt service savings
39 on a direct comparison basis accomplishes the public purposes of the Refunding Act and
40 is in furtherance of the purposes of the Tax Increment Act and the Special Taxing District
41 Act. For the purposes of this Ordinance, the issuance of Refunding Bonds shall be
42 deemed to realize debt service savings on a direct comparison basis when the debt service
43 in each Tax Year for the Refunding Bonds together with the debt service on any 2004
44 Bonds not refunded, defeased or otherwise retired in connection with the issuance of the
45 Refunding Bonds is, in the aggregate, less than or equal to the debt service on the 2004
46 Bonds in each Tax Year determined immediately before the issuance of the Refunding
47 Bonds.

48

1 (3) Each contract of sale for real property located in the Special Taxing District and
2 each property tax bill for property in the Special Taxing District shall comply with the
3 provisions of the County Special Taxing District Act, Section 4-8-104 "Disclosure to
4 Buyers".
5

6 (4) Based on certifications provided to the County Council regarding customary
7 municipal market requirements for a financing of this nature involving the guaranty
8 agreement provided by the County in connection with the issuance of the Refunding
9 Bonds, the County Council determines that a debt service reserve fund is not required or
10 advisable in connection with the issuance of the Refunding Bonds and that the
11 requirement of the Special Taxing District Act that an adequate debt service reserve be
12 maintained is satisfied by virtue of the guaranty agreement being provided as additional
13 security for the Refunding Bonds pursuant to this Ordinance.
14

15 (5) The Arundel Mills District Special Tax shall not accelerate by reason of a default
16 on the Bonds.
17

18 (6) No increase in the amount of the Arundel Mills District Special Tax levied shall
19 result in a levy that exceeds the maximum special tax applicable to any individual
20 property in the Special Taxing District if any other property owner becomes delinquent in
21 the payment of its special tax securing the Bonds.
22

23 (7) The Rate and Method defines "bonds" as any bonds or other debt, including
24 refunding bonds, whether in one or more series, issued by the County relating to the
25 District pursuant to the Special Taxing District Act and the Tax Increment Act. The Rate
26 and Method is hereby confirmed, ratified, adopted and incorporated by reference and
27 made a part of this Ordinance and the applicability of the Rate and Method to the
28 Refunding Bonds is hereby confirmed. It is hereby acknowledged and confirmed that
29 there is levied and imposed a special tax to be known as the "Arundel Mills District
30 Special Tax" upon all real and personal property within the Special Taxing District,
31 unless exempted by law or by the provisions of Bill No. 63-98, the 2004 Ordinance or
32 this Ordinance, for the purposes, to the extent and in the manner provided in the Rate and
33 Method. As set forth in the Rate and Method, no special tax shall be levied to pay debt
34 service on the Bonds, including the Refunding Bonds, unless the Development District
35 Special Fund does not contain money in an amount sufficient to pay such debt service on
36 the Bonds, including the Refunding Bonds. Further, the Arundel Mills District Special
37 Tax originally levied and imposed by Bill No. 63-98 and confirmed, ratified and adopted
38 by this Ordinance in the Special Taxing District took effect and shall be in force for the
39 Tax Year beginning July 1, 1999 and each Tax Year thereafter through and including
40 June 30, 2029, provided that such Special Tax shall terminate when no "bonds" as
41 defined in the Rate and Method, including the 2004 Bonds and the Refunding Bonds, are
42 outstanding which, for purposes of this Ordinance as it relates to the 2004 Bonds and the
43 Refunding Bonds, shall mean the Bonds, including the Refunding Bonds, have been fully
44 repaid or defeased pursuant to the terms of the indenture under which they are issued
45 with bonds that are not secured by the Arundel Mills District Special Tax. The Arundel
46 Mills District Special Tax shall be levied in an amount sufficient to also pay County
47 expenses, which, for purposes of this paragraph, shall include the fees and expenses of
48 any fiscal agent or trustee employed by the County; the expenses of the County in

1 carrying out its duties under an indenture under which the Bonds, including the
2 Refunding Bonds, have been or will be issued, including, but not limited to, levying and
3 collecting the Arundel Mills District Special Tax and complying with arbitrage rebate
4 requirements and obligated persons disclosure requirements associated with applicable
5 federal and state securities law, including the costs of any employees of the County and
6 fees of any professionals retained by the County to provide services for such purposes;
7 and all other costs and expenses of the County incurred in connection with the discharge
8 of its duties under the indenture, including legal expenses associated with such duties,
9 and, in any way related to the administration of the Special Taxing District. The amount
10 of the Arundel Mills District Special Tax required to be levied in any Tax Year (as
11 defined in the Rate and Method) to provide for the payment of County expenses may be
12 reduced to the extent that amounts are held under the indenture pursuant to which the
13 Bonds, including the Refunding Bonds, are issued, or amounts are otherwise made
14 available to the County, and such amounts are available for the payment of County
15 expenses in such Tax Year.

16
17 (8) The County hereby ratifies and confirms that it covenants to levy the Arundel
18 Mills District Special Tax at a rate and in an amount at least sufficient in each year in
19 which any of the Bonds, including Refunding Bonds, are outstanding to provide for the
20 payment of the principal of and interest on the Bonds, including Refunding Bonds, to the
21 extent of any deficiency in the Development District Special Fund and to provide for the
22 payment of County expenses, to the extent such expenses are not otherwise provided for,
23 as aforesaid. The Arundel Mills District Special Tax also may be levied with respect to
24 refunding bonds issued under the Special Taxing District Act pursuant to the provisions
25 of an ordinance or resolution enacted or adopted by the County in connection with the
26 issuance of such refunding bonds.

27
28 (9) Pursuant to the provisions of the Development District Resolution and in
29 accordance with the Tax Increment Act, so long as the Bonds, including Refunding
30 Bonds, remain outstanding, the County shall deposit into the Development District
31 Special Fund all real property taxes received by the County for any Tax Year after the
32 effective date of the Development District Resolution equal to that portion of the taxes
33 payable to the County representing the levy on the Tax Increment that would normally be
34 paid to the County. Notwithstanding the preceding sentence, the County Council,
35 pursuant to an ordinance, may provide for the use of certain money in the Development
36 District Special Fund in compliance with Section 8 of the Development District
37 Resolution and the related provisions of the Tax Increment Act. Money in the
38 Development District Special Fund shall be pledged to the payment of the Bonds,
39 including the Refunding Bonds, other than those amounts withdrawn as permitted by the
40 preceding sentence; provided, however, that the money in the Development District
41 Special Fund may also be pledged by the County for the payment of additional bonds
42 issued by the County under the Tax Increment Act and other authority, if applicable,
43 relating to the public infrastructure improvements financed by the 1999 Bonds or other
44 projects subject to the provisions of the indenture under which the Bonds, including the
45 Refunding Bonds, will be issued. The County hereby covenants to comply with Section
46 9 of the Development District Resolution while any Bonds, including Refunding Bonds,
47 remain outstanding.

1 (10) In accordance with Section 19-103 of the Local Government Article of the
2 Annotated Code of Maryland, as amended (2013 Replacement Volume) and other
3 applicable provisions of law, the Refunding Bonds shall be further secured by a guaranty
4 agreement provided by the County that obligates the County to timely pay the principal
5 of and interest on the Refunding Bonds in the event that sufficient funds for the timely
6 payment of principal of and interest on the Refunding Bonds are not available from the
7 Development District Special Fund and the Special Tax Fund or otherwise. The
8 obligation of the County to make such payments of principal and interest pursuant to the
9 guaranty agreement shall be deemed and shall constitute an unconditional general
10 obligation of the County, to the payment of which, both principal and interest, its full
11 faith and credit are pledged, subject to the limitation on the tax levy set out in Section
12 710(d) of the County Charter. The County hereby covenants that, in each Tax Year
13 during which any such principal of or interest on the Refunding Bonds is required to be
14 paid under the guaranty agreement, it will appropriate sufficient funds in each Current
15 Expense Budget to pay the principal of and interest on the Refunding Bonds due in such
16 Tax Year. The County hereby further covenants that, to the extent any such
17 appropriation is not offset by funds from other sources or revenues, it will, subject to the
18 limitation on the tax levy set out in Section 710(d) of the County Charter, fund any such
19 appropriation by the levy of ad valorem taxes on real estate, tangible personal property
20 and intangible personal property subject to taxation by the County, and in addition, on
21 such other intangible property as may be subject to taxation by the County within
22 limitations prescribed by law.

23
24 SECTION 2. *And be it further enacted*, That, acting pursuant to the Refunding Act,
25 the Tax Increment Act and the Special Taxing District Act, the issuance and sale of the
26 Refunding Bonds in an aggregate Principal Amount not to exceed \$33,258,000 is hereby
27 authorized for the purpose of refunding or otherwise retiring all or a portion of the
28 outstanding aggregate principal amount of the 2004 Bonds to realize debt service savings
29 on a direct comparison basis, as specified in Section 1(2) above. The proceeds of the
30 Refunding Bonds will be utilized solely to refund or otherwise retire all or a portion of
31 the outstanding principal amount of the 2004 Bonds, and to pay costs and expenses
32 related to the issuance of the Refunding Bonds as permitted pursuant to the provisions of
33 the Refunding Act and this Ordinance. The Refunding Bonds may be issued pursuant to
34 the provisions of an indenture at any time or from time to time in one or more issues or
35 series, and each issue or series of the Refunding Bonds shall be identified by the year of
36 issue or by some other or additional appropriate designation. The Refunding Bonds will
37 be payable, first, from the amounts levied and deposited in the Development District
38 Special Fund created by the Development District Resolution and secondly, to the extent
39 the Development District Special Fund does not contain money in an amount sufficient
40 for payment of debt service on such Refunding Bonds and to the extent amounts are
41 required for deposit in funds and accounts created within such indenture to replenish
42 deficiencies therein, from the Arundel Mills District Special Tax to be levied and
43 deposited in the Special Tax Fund and other funds existing under the Indenture
44 (hereinafter defined). In addition, the Refunding Bonds shall be further secured by a
45 guaranty agreement provided by the County that obligates the County to timely pay the
46 principal of and interest on the Refunding Bonds in the event that sufficient funds for the
47 timely payment of principal and interest on the Refunding Bonds are not available from
48 the Development District Special Fund and the Special Tax Fund or otherwise, as further

1 described in Section 1(10) above.
2

3 The aggregate Principal Amount of the Refunding Bonds issued from time to time
4 hereunder to refund or otherwise retire 2004 Bonds shall not exceed 120% of the
5 principal amount of 2004 Bonds so refunded or retired.
6

7 Prior to the issuance of Refunding Bonds, the County Executive shall execute and
8 deliver a certification establishing that the issuance of the Refunding Bonds will realize
9 debt service savings on a direct comparison basis as specified on Section 1(2) above. In
10 making this certification, the County Executive may rely on the advice of the County's
11 financial advisor regarding such determination.
12

13 SECTION 3. *And be it further enacted*, That the Refunding Bonds shall be executed
14 in the name of the County and on its behalf by the County Executive, by manual or
15 facsimile signature and the corporate seal of the County or a facsimile thereof shall be
16 impressed or otherwise reproduced thereon and attested by the Administrative Officer to
17 the County Council or other official authorized by law by manual or facsimile signature
18 and the Refunding Bonds shall be authenticated by the manual or facsimile signature of
19 the Chief Administrative Officer or her authorized deputy as may be required by law. The
20 guaranty agreement to be entered into by the County (the "Guaranty Agreement") shall
21 be executed in the name of the County and on its behalf by the County Executive by
22 manual signature, and the corporate seal of the County or a facsimile thereof shall be
23 impressed or otherwise reproduced thereon and attested by the Administrative Officer to
24 the County Council or other official authorized by law or by manual signature. The
25 Guaranty Agreement shall be appended to each Refunding Bond. The Indenture, and,
26 where applicable, all other documents as the County Executive deems necessary to
27 effectuate the issuance, sale and delivery of the Refunding Bonds of any series, shall be
28 executed in the name of the County and on its behalf by the County Executive by manual
29 signature, and the corporate seal of the County or a facsimile thereof shall be impressed
30 or otherwise reproduced thereon and attested by the Administrative Officer to the County
31 Council or other official authorized by law or by manual signature. If any officer whose
32 signature or countersignature or a facsimile of whose signature or countersignature
33 appears on the Refunding Bonds of any series or any of the aforesaid documents ceases
34 to be such officer before the delivery of the Refunding Bonds of such series or any of the
35 other aforesaid documents, such signature or countersignature or such facsimile shall
36 nevertheless be valid and sufficient for all purposes, the same as if such officer had
37 remained in office until delivery. The County Executive, the Administrative Officer to
38 the County Council and other officials of the County are hereby authorized and
39 empowered to do all such acts and things and execute such documents and certificates as
40 the County Executive may determine to be necessary to carry out and comply with the
41 provisions of this Ordinance, subject to the limitations set forth in the Refunding Act, the
42 Special Taxing District Act, the Tax Increment Act and this Ordinance.
43

44 SECTION 4. *And be it further enacted*, That:
45

46 (1) The Refunding Bonds shall be sold at private (negotiated) sale, and such
47 procedure is hereby determined to be in the public interest. Notwithstanding the
48 foregoing, if the County Executive, or the Chief Administrative Officer of the County if

1 authorized by the County Executive, subsequently determines that it is in the best
2 interests of the County to sell any or all of the Refunding Bonds after first soliciting
3 competitive bids at public sale, then the County Executive or the Chief Administrative
4 Officer of the County, as the case may be, may sell such Refunding Bonds in such
5 manner in accordance with such procedures as she shall deem appropriate; provided,
6 however, that such procedures shall be substantially similar to procedures for the
7 competitive sale of County general obligation bonds set forth in Section 5 of Bill No. 63-
8 13 passed by the County Council on September 3, 2013, approved by the County
9 Executive on September 18, 2013, and effective November 2, 2013.

10
11 (2) The Refunding Bonds issued hereunder are hereby specifically exempted from the
12 provisions of Sections 19-205 and 19-206 of the Local Government Article of the
13 Annotated Code of Maryland (2013 Replacement Volume).

14
15 SECTION 5. *And be it further enacted*, That, subject to the provisions of this
16 Ordinance, the County Executive by executive order:

17
18 (1) shall prescribe the form, tenor, terms and conditions of and security for the
19 Refunding Bonds;

20
21 (2) shall prescribe the principal amounts, rate or rates of interest, which shall not
22 exceed seven percent (7%) per annum, premiums, if any, denominations, date, maturity
23 or maturities (within the limits prescribed in the Refunding Act, the Tax Increment Act,
24 the Special Taxing District Act and this Ordinance), and the time and place or places of
25 payment of the Refunding Bonds, and the terms and conditions and details under which
26 the Refunding Bonds may be called for redemption prior to their stated maturities;

27
28 (3) may appoint bond counsel, a verification agent, an escrow agent and a financial
29 advisor and, if necessary, may appoint a trustee, a bond registrar and a paying agent or
30 agents for the Refunding Bonds;

31
32 (4) as applicable, may appoint a bank or other financial institution to act as escrow
33 deposit agent under an escrow deposit agreement;

34
35 (5) as applicable, may determine the terms and conditions of the redemption of all or
36 any portion of the 2004 Bonds, including the redemption dates and redemption premiums
37 to be paid for all or any portion of the 2004 Bonds, and the manner of investment of the
38 proceeds of the Refunding Bonds and other funds to provide for the payment and
39 defeasance of the 2004 Bonds;

40
41 (6) as applicable, shall approve the form and contents of, and execute and deliver
42 (where applicable), an escrow deposit agreement providing for the payment and
43 refunding of the 2004 Bonds;

44
45 (7) shall approve the form and contents of, and execute and deliver (where
46 applicable), any indenture of trust between the County and a corporate trustee (which
47 may be in the form of a supplement to the 2004 Indenture) (the "Indenture"), the

1 Guaranty Agreement and such other documents to which the County is a party and which
2 may be necessary to effectuate the issuance, sale and delivery of the Refunding Bonds;

3
4 (8) may select an investment bank or banks or other financial institution to purchase
5 and underwrite the sale of the Refunding Bonds;

6
7 (9) may prepare and distribute both a preliminary and a final official statement or
8 other similar offering document in connection with the sale of the Refunding Bonds, if
9 such preliminary official statement and final official statement or other similar offering
10 document are determined to be necessary or desirable for the sale of the Refunding
11 Bonds;

12
13 (10) may execute and deliver a contract or contracts for the purchase and sale of the
14 Refunding Bonds (or any portion thereof) in form and content satisfactory to the County
15 Executive;

16
17 (11) shall determine the time of execution, issuance, sale and delivery of the
18 Refunding Bonds and prescribe any and all other details of the Refunding Bonds;

19
20 (12) shall provide for the direct or indirect payment of all costs, fees and expenses
21 incurred by or on behalf of the County in connection with the issuance, sale and delivery
22 of the Refunding Bonds, including (without limitation) costs of printing (if any) and
23 issuing the Refunding Bonds, legal expenses (including the fees of bond counsel) and
24 compensation to any person performing services by or on behalf of the County in
25 connection therewith; and

26
27 (13) shall do any and all things necessary, proper or expedient in connection with the
28 issuance, sale and delivery of the Refunding Bonds in order to accomplish the legislative
29 policy of the Refunding Act, the Tax Increment Act and the Special Taxing District Act,
30 and the public purposes of this Ordinance, subject to the limitations set forth in the
31 Refunding Act, the Tax Increment Act and the Special Taxing District Act, and any
32 limitations prescribed by this Ordinance.

33
34 This delegation of authority to the County Executive is subject to her discretion and
35 to the extent she does not exercise such discretion pursuant to the provisions of this
36 Ordinance, neither such officer nor the County shall be subject to any liability.

37
38 SECTION 6. *And be it further enacted,* That the provisions hereinafter set forth in
39 Paragraphs (1), (2), (3), (4) and (5) of this Section shall be applicable with respect to the
40 Refunding Bonds issued and sold hereunder on the basis that the interest on the
41 Refunding Bonds will be excludable from gross income for federal income tax purposes.

42
43 (1) The County Executive shall be the officer of the County responsible for the
44 issuance of any Refunding Bonds hereunder within the meaning of the Arbitrage
45 Regulations (defined herein). The County Executive shall also be the officer of the
46 County responsible for the execution and delivery (on the date of issuance of the
47 Refunding Bonds) of a certificate of the County (the "Section 148 Certificate") which
48 complies with the requirements of Section 148 of the Internal Revenue Code of 1986, as

1 amended ("Section 148"), and the applicable regulations thereunder (the "Arbitrage
2 Regulations"), and such official is hereby directed to execute the Section 148 Certificate
3 and to deliver the same to bond counsel on the date of the issuance of the Refunding
4 Bonds.

5
6 (2) The County shall set forth in the Section 148 Certificate its reasonable
7 expectations as to relevant facts, estimates and circumstances relating to the use of the
8 proceeds of the Refunding Bonds, or of any moneys, securities or other obligations to the
9 credit of any account of the County which may be deemed to be proceeds of the
10 Refunding Bonds pursuant to Section 148 or the Arbitrage Regulations (collectively,
11 "Bond Proceeds"). The County covenants that the facts, estimates and circumstances set
12 forth in the Section 148 Certificate will be based on the County's reasonable expectations
13 on the date of issuance of the Refunding Bonds and will be, to the best of the certifying
14 officials, knowledge, true and correct as of that date.

15
16 (3) The County covenants and agrees with each of the holders of any of the
17 Refunding Bonds that it will not make, or (to the extent that it exercises control or
18 direction) permit to be made, any use of the Bond Proceeds which would cause the
19 Refunding Bonds to be "arbitrage bonds" within the meaning of Section 148 and the
20 Arbitrage Regulations which are applicable to the Refunding Bonds on the date of
21 issuance of the Refunding Bonds and which may subsequently lawfully be made
22 applicable to the Refunding Bonds.

23
24 (4) The County further covenants that it shall make such use of the proceeds of the
25 Refunding Bonds, regulate the investment of the proceeds thereof, and take other and
26 further actions as may be required to maintain the excludability from gross income for
27 federal income tax purposes of interest on the Refunding Bonds. All officers, employees
28 and agents of the County are hereby authorized and directed to take such actions, and to
29 provide such certifications of facts and estimates regarding the amount and use of the
30 proceeds of the Refunding Bonds, as may be necessary or appropriate from time to time
31 to comply with, or to evidence the County's compliance with, the covenants set forth in
32 this Section.

33
34 (5) The County Executive, on behalf of the County, may make such covenants or
35 agreements in connection with the issuance of Refunding Bonds issued hereunder as she
36 shall deem advisable in order to assure the registered owners of such Refunding Bonds
37 that interest thereon shall be and remain excludable from gross income for federal income
38 tax purposes, and such covenants or agreements shall be binding on the County so long as
39 the observance by the County of any such covenants or agreements is necessary in
40 connection with the maintenance of the exclusion of the interest on such Refunding
41 Bonds from gross income for federal income tax purposes. The foregoing covenants and
42 agreements may include such covenants or agreements on behalf of the County regarding
43 compliance with the provisions of the Internal Revenue Code of 1986, as amended, as the
44 County Executive shall deem advisable in order to assure the registered owners of such
45 Refunding Bonds that the interest thereon shall be and remain excludable from gross
46 income for federal income tax purposes, including (without limitation) covenants or
47 agreements relating to the investment of the proceeds of such Refunding Bonds, the
48 payment of rebates (or payments in lieu of rebate) to the United States, limitations on the

1 times within which, and the purpose for which, such proceeds may be expended, or the
2 use of specified procedures for accounting for and segregating such proceeds.
3

4 (6) Notwithstanding anything in this Ordinance to the contrary, Refunding Bonds
5 issued and sold hereunder may be issued and sold on the basis that the interest on such
6 Refunding Bonds will not be excludable from gross income for federal income tax
7 purposes.
8

9 SECTION 7. *And be it further enacted,* That, following the execution and delivery
10 of any series of Refunding Bonds, the County Executive, or the Controller of the County,
11 if authorized by the County Executive, shall report the terms thereof in writing at the next
12 meeting of the County Council.
13

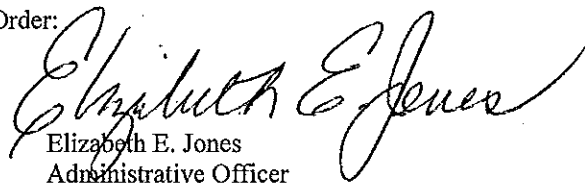
14 SECTION 8. *And be it further enacted,* That the provisions of this Ordinance are
15 severable, and if any provision, sentence, clause, paragraph or part hereof is held or
16 determined to be illegal, invalid or unconstitutional or inapplicable to any person or
17 circumstances, such illegality, invalidity or unconstitutionality or inapplicability shall not
18 affect or impair any of the remaining provisions, sentences, clauses, paragraphs or parts
19 of this Ordinance or their application to other persons or circumstances. It is hereby
20 declared to be the legislative intent that this Ordinance would have been passed if such
21 illegal, invalid, unconstitutional or inapplicable provision, sentence, clause, paragraph or
22 part had not been included herein, and if the person or circumstances to which this
23 Ordinance or any part hereof are inapplicable had been specifically exempted herefrom.
24 Without limiting the foregoing, it is hereby further declared to be the legislative intent
25 that the Guaranty Agreement shall be a fully enforceable obligation of the County
26 notwithstanding any illegality, invalidity or other defect relating to the levy, collection or
27 application of the Arundel Mills District Special Tax or the levy on the Tax Increment to
28 provide for the payment of the Refunding Bonds.
29

30 SECTION 9. *And be it further enacted,* That by the enactment of this Ordinance, the
31 County has complied with the provisions of the Tax Increment Act and the Special
32 Taxing District Act, including but not limited to Sections 12-203, 12-208(c) and 12-
33 208(d) of the Tax Increment Act and Section 21-507 of the Special Taxing District Act.
34

35 SECTION 10. *And be it further enacted,* That this Ordinance shall take effect 45
36 days from the date it becomes law.

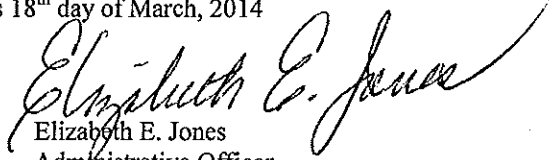
READ AND PASSED this 17th day of March, 2014

By Order:

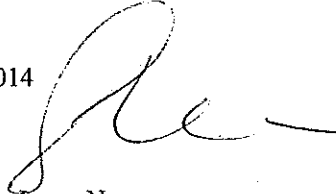


Elizabeth E. Jones
Administrative Officer

PRESENTED to the County Executive for her approval this 18th day of March, 2014


Elizabeth E. Jones
Administrative Officer

APPROVED AND ENACTED this 25 day of March, 2014


Laura Neuman
County Executive

EFFECTIVE DATE: May 9, 2014

I HEREBY CERTIFY THAT THIS IS A TRUE AND CORRECT COPY OF BILL NO.
8-14 THE ORIGINAL OF WHICH IS RETAINED IN THE FILES
OF THE COUNTY COUNCIL.


Elizabeth E. Jones
Administrative Officer