

FINAL

COUNTY COUNCIL OF ANNE ARUNDEL COUNTY, MARYLAND

Legislative Session 2014, Legislative Day No. 4

Bill No. 10-14

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 \$16,470,000 in one
3 or more series to be secured by taxes levied on the tax increment on property in the
4 West County Development District, special taxes on property in the National
5 Business Park Special Taxing District and a guaranty agreement provided by Anne
6 Arundel County, Maryland to refund or otherwise retire all or a portion of the
7 outstanding principal amount of the Anne Arundel County, Maryland Special
8 Obligation Refunding Bonds (National Business Park Project), Series 2004 and
9 determining certain terms and provisions in connection with the issuance, sale and
10 payment of such bonds.

11
12 FOR the purpose of authorizing the issuance, sale and delivery by Anne Arundel County,
13 Maryland (the "County") of special obligation refunding bonds pursuant to Section
14 19-207 of the Local Government Article of the Annotated Code of Maryland (2013
15 Replacement Volume) (the "Refunding Act"), Sections 12-201 through 12-213,
16 inclusive, of the Economic Development Article of the Annotated Code of Maryland
17 (2008 Volume and 2013 Supplement) (the "Tax Increment Act"), and Subtitle 5 of
18 Title 21 of the Local Government Article of the Annotated Code of Maryland (2013
19 Replacement Volume) and Sections 4-8-101 through 4-8-106 of the Anne Arundel
20 County Code, as amended (together, the "Special Taxing District Act") in an
21 aggregate principal amount not to exceed \$16,470,000 to refund or otherwise retire all
22 or a portion of the outstanding principal amount of the Anne Arundel County,
23 Maryland Special Obligation Refunding Bonds (National Business Park Project),
24 Series 2004 dated as of May 11, 2004 (the "2004 Bonds") in order to achieve debt
25 service savings for the County in each year on a direct comparison basis; providing
26 that special obligation refunding bonds may be issued from time to time; providing

1 for the payment of costs and expenses related to the issuance of the special obligation
2 refunding bonds; making certain findings and determinations, among others, that a
3 debt service reserve fund is not required as a result of the County providing a
4 guaranty agreement securing such special obligation bonds and concerning the public
5 benefit and purpose of such special obligation refunding bonds; providing that such
6 special obligation refunding bonds authorized to be issued hereby shall be payable,
7 first, from the amounts levied on the tax increment on the property in the West
8 County Development District and deposited in the West County Development District
9 Tax Increment Fund (the "Development District Special Fund") created pursuant to
10 Resolution No. 2-97 passed by the County Council of the County (the "County
11 Council") on February 3, 1997 and approved by the County Executive of the County
12 (the "County Executive") on February 5, 1997, as amended by Resolution No. 53-99
13 adopted by the County Council of the County on November 1, 1999 and approved by
14 the County Executive on November 8, 1999 and by Resolution No. 29-02 adopted by
15 the County Council on July 15, 2002 and approved by the County Executive on July
16 23, 2002 and, second, to the extent the Development District Special Fund does not
17 contain money in an amount sufficient for payment of debt service on such special
18 obligation refunding bonds and to the extent amounts are required for deposit in funds
19 and accounts created within the indenture providing for the issuance of such bonds to
20 replenish deficiencies therein, from the special tax to be levied on the property in the
21 National Business Park Special Taxing District and deposited in the Special Tax Fund
22 created pursuant to Bill No. 15-98, passed by the County Council on March 2, 1998,
23 approved by the County Executive and enacted on March 4, 1998, as amended by Bill
24 No. 74-99, passed by the County Council on November 1, 1999, approved by the
25 County Executive and enacted on November 8, 1999 and by Bill No. 54-02 passed by
26 the County Council on July 15, 2002, approved by the County Executive and enacted
27 on July 23, 2002, and from other funds pursuant to the provisions of such indenture;
28 providing that such special obligation refunding bonds shall further be secured by a
29 guaranty agreement provided by the County that obligates the County to timely pay
30 the principal of and interest on the special obligation refunding bonds; pledging the
31 full faith and credit of the County, subject to the limitation on the tax levy set out in
32 Section 710(d) of the County Charter, to make payments under the guaranty
33 agreement in the event that sufficient funds for the timely payment of principal and
34 interest on the special obligation refunding bonds when due are not available from the
35 Development District Special Fund and the Special Tax Fund or otherwise;
36 covenanting that, in each tax year during which any such payments of principal or
37 interest on the special obligation refunding bonds are required to be paid under the
38 guaranty agreement, the County will appropriate sufficient funds in the Current
39 Expense Budget to pay such principal and interest due in such tax year, and further
40 covenanting that, to the extent any such appropriation is not offset by funds from
41 other sources or revenues, the County will, subject to the limitation on the tax levy set
42 out in Section 710(d) of the County Charter, fund any such appropriation by the levy
43 of ad valorem taxes on real estate, tangible personal property and intangible personal
44 property subject to taxation by the County, and in addition, on such other intangible
45 property as may be subject to taxation by the County within limitations prescribed by
46 law; providing that the special obligation refunding bonds may be sold at private
47 (negotiated) sale, competitive sale or direct placement; providing that the County
48 Executive may determine the terms and conditions for the redemption and retirement
49 of the 2004 Bonds; authorizing the County Executive of the County to specify,

1 prescribe, determine, provide for and approve certain details, forms, documents and
2 procedures in connection with such special obligation refunding bonds and any other
3 matters necessary or desirable in connection with the authorization, issuance, sale and
4 payment of such special obligation refunding bonds and such other documents as may
5 be necessary and desirable to effectuate the issuance, sale and delivery of such special
6 obligation refunding bonds; and generally providing for, and determining various
7 matters in connection with, the issuance, sale, delivery and payment of such special
8 obligation refunding bonds.
9

10 RECITALS

11
12 Resolution No. 2-97 passed by the County Council (the "County Council") of Anne
13 Arundel County, Maryland (the "County") on February 3, 1997 and approved by the
14 County Executive on February 5, 1997, as amended by Resolution No. 53-99 adopted by
15 the County Council on November 1, 1999 and approved by the County Executive on
16 November 8, 1999 and by Resolution No. 29-02 adopted by the County Council on July
17 15, 2002 and approved by the County Executive on July 23, 2002 (the "Development
18 District Resolution" or "Resolution No. 2-97") created the West County Development
19 District (the "Development District") and the special fund known as the "West County
20 Development District Tax Increment Fund" (the "Development District Special Fund").
21

22 Bill No. 15-98, which was passed by the County Council on March 2, 1998, approved
23 by the County Executive and enacted on March 4, 1998, as amended by Bill No. 74-99 of
24 the County Council passed on November 1, 1999 and approved by the County Executive
25 and enacted on November 8, 1999 and by Bill No. 54-02 passed by the County Council
26 on July 15, 2002, approved by the County Executive and enacted on July 23, 2002 ("Bill
27 No. 15-98," and together with Resolution No. 2-97, the "Prior Ordinance"), established
28 the National Business Park District Special Fund (the "Special Tax Fund") and
29 authorized the levy and imposition of a special tax to be known as the "National Business
30 Park District Special Tax" upon all real and personal property within the National
31 Business Park Special Taxing District (the "Special Taxing District") in the manner and
32 through the application of the Rate and Method of Apportionment of National Business
33 Park Special Tax (the "Rate and Method"), attached as Exhibit C to Bill No. 15-98 and
34 made apart thereof.
35

36 The County issued its \$14,000,000 Anne Arundel County, Maryland Special
37 Obligation Bonds (National Business Park Project), Series 2000 dated as of July 1, 2000
38 (the "2000 Bonds") pursuant to (i) Sections 12-201 through 12-213, inclusive, of the
39 Economic Development Article of the Annotated Code of Maryland, as amended
40 (formerly codified as Sections 14-201 through 14-214 of Article 41 of the Annotated
41 Code of Maryland) (the "Tax Increment Act"), (ii) Subtitle 5 of Title 21 of the Local
42 Government Article of the Annotated Code of Maryland, as amended (formerly codified
43 as Article 24, Section 9-1301 of the Annotated Code of Maryland) (the "State Special
44 Taxing District Act"), (iii) Sections 4-8-101 through 4-8-106 of the Anne Arundel
45 County Code, as amended (formerly Article 6, Sections 4A-101 through 4A-106 of Title
46 4A of the Anne Arundel County Code) (the "County Special Taxing District Act" and
47 together with the State Special Taxing District Act, the "Special Taxing District Act"),
48 (iv) the Prior Ordinance, and (v) the Indenture of Trust by and between the County and

1 Manufacturers and Traders Trust Company (the successor to Allfirst Trust Company
2 National Association), as trustee, dated as of July 1, 2000.

3
4 The 2000 Bonds were used to finance a portion of the costs of certain infrastructure
5 improvements relating to the Development District and the Special Taxing District,
6 including construction of a partial interchange on the north side of Maryland Route 32
7 and Guilford Road, including deceleration and acceleration lanes; the widening and
8 realignment of the Anne Arundel County section of Guilford Road from two lanes to four
9 lanes; an additional lane (to provide two-way traffic) on the National Security Agency
10 flyover on Baltimore-Washington Parkway connecting to National Business Parkway
11 (including an internal connection road from National Business Parkway to Phoenix
12 Road); and related roads, water and sewer line and storm drains for the National Business
13 Park, Phase 2 (Cedar Knolls), and the widening of the Dorsey Run Road bridge over
14 Maryland Route 32.

15
16 The County issued its \$15,655,000 Anne Arundel County, Maryland Special
17 Obligation Refunding Bonds (National Business Park Project), Series 2004 dated as of
18 May 11, 2004 (the "2004 Bonds") pursuant to (i) the Tax Increment Act, (ii) Special
19 Taxing District Act, (iii) Section 19-207 of the Local Government Article of the
20 Annotated Code of Maryland, as amended (formerly codified as Section 24 of Article 31
21 of the Annotated Code of Maryland) (the "Refunding Act"), (iv) the Prior Ordinance, (v)
22 Bill No. 9-04, which was passed by the County Council on March 15, 2004 and approved
23 by the County Executive and enacted March 18, 2004 (the "2004 Ordinance"), and (vi)
24 the Indenture of Trust dated as of May 1, 2004, by and between the County and
25 Manufacturers and Traders Trust Company (the "2004 Indenture"), in order to refund or
26 otherwise retire all or a portion of the outstanding aggregate principal amount of the 2000
27 Bonds to achieve savings on a direct comparison basis.

28
29 The 2004 Bonds are secured by the proceeds of tax collections arising from the
30 taxation of the increase, if any, in the appraised value of real property located in the
31 Development District since January 1, 1996 and, to the extent the revenues from the tax
32 increment are insufficient, from the National Business Park District Special Tax to be
33 levied on the taxable parcels within the Special Taxing District. The 2004 Bonds are
34 further secured by a guaranty agreement provided by the County that obligates the
35 County to timely pay the principal of and interest on the 2004 Bonds.

36
37 The County has determined that refunding or otherwise retiring all or a portion of the
38 outstanding principal amount of the 2004 Bonds in the manner provided for in this
39 Ordinance will realize debt service savings for the County. The County has therefore
40 determined to authorize the issuance of special obligation refunding bonds the proceeds
41 of which will be used to refund or otherwise retire all or a portion of the outstanding
42 aggregate principal amount of the 2004 Bonds to achieve savings on a direct comparison
43 basis. The County also has determined to provide for repayment of such special
44 obligation refunding bonds from the proceeds of tax collections arising from the taxation
45 of the increase, if any, in the appraised value of real property located in the Development
46 District since January 1, 1996 and, to the extent the revenues from the tax increment are
47 insufficient, from the National Business Park District Special Tax to be levied on the
48 taxable parcels within the District. In addition, the County has determined to further

1 secure repayment by providing a County guarantee of repayment of the principal of and
2 interest on the special obligation refunding bonds, as further provided in this Ordinance.

3
4 SECTION 1. *Be it enacted by the County Council of Anne Arundel County,*
5 *Maryland, That:*

6
7 (1) Defined terms used in this Ordinance shall have the meanings given such words
8 in the Recitals set forth above or otherwise, unless the context clearly requires a contrary
9 meaning.

10
11 In addition, the following words shall have the meanings specified:

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

15
16 B. "Assessment Ratio" shall have the meaning set forth in Section 12-201(d) of
17 the Tax Increment Act;

18
19 C. "Bonds" means the 2004 Bonds and the Refunding Bonds;

20
21 D. "Original Taxable Value" shall have the meaning set forth in Section 12-
22 201(l) of the Tax Increment Act;

23
24 E. "Principal Amount" means the bona fide offering price of the Refunding
25 Bonds to the public;

26
27 F. "Refunding Act" shall mean Section 19-207 of Local Government Article of
28 the Annotated Code of Maryland, as amended (2013 Replacement Volume);

29
30 G. "Refunding Bonds" shall mean the special obligation refunding bonds
31 authorized in Section 2 of this Ordinance;

32
33 H. "Tax Increment" shall have the meaning set forth in Section 12-201(n) of the
34 Tax Increment Act and means for any Tax Year the amount by which the Assessable
35 Base as of January 1 preceding that Tax Year exceeds the Original Taxable Value divided
36 by the Assessment Ratio used to determine the Original Taxable Value; and

37
38 I. "Tax Year" shall have the meaning set forth in Section 12-201(o) of the Tax
39 Increment Act.

40
41 The Tax Increment shall be determined and the proceeds of the levy on the Tax
42 Increment shall be applied to the payment of the Refunding Bonds in accordance with the
43 Tax Increment Act as in effect on the date of enactment of this Ordinance. The
44 provisions of this Ordinance shall govern in the event of any inconsistency between this
45 Ordinance and any previously adopted or enacted resolution or ordinance.

46
47 (2) Acting pursuant to the Refunding Act, the Tax Increment Act and the Special
48 Taxing District Act, it is hereby found and determined that the issuance of Refunding
49 Bonds for the purpose of refunding or otherwise retiring all or a portion of the

1 outstanding aggregate principal amount of the 2004 Bonds to realize debt service savings
2 on a direct comparison basis accomplishes the public purposes of the Refunding Act and
3 is in furtherance of the purposes of the Tax Increment Act and the Special Taxing District
4 Act. For the purposes of this Ordinance, the issuance of Refunding Bonds shall be
5 deemed to realize debt service savings on a direct comparison basis when the debt service
6 in each Tax Year for the Refunding Bonds together with the debt service on any 2004
7 Bonds not refunded, defeased or otherwise retired in connection with the issuance of the
8 Refunding Bonds is, in the aggregate, less than or equal to the debt service on the 2004
9 Bonds in each Tax Year determined immediately before the issuance of the Refunding
10 Bonds.

11
12 (3) Each contract of sale for real property located in the Special Taxing District and
13 each property tax bill for property in the Special Taxing District shall comply with the
14 provisions of the County Special Taxing District Act, Section 4-8-104 "Disclosure to
15 Buyers".

16
17 (4) Based on certifications provided to the County Council regarding customary
18 municipal market requirements for a financing of this nature involving the guaranty
19 agreement provided by the County in connection with the issuance of the Refunding
20 Bonds, the County Council determines that a debt service reserve fund is not required or
21 advisable in connection with the issuance of the Refunding Bonds and that the
22 requirement of the Special Taxing District Act that an adequate debt service reserve be
23 maintained is satisfied by virtue of the guaranty agreement being provided as additional
24 security for the Refunding Bonds pursuant to this Ordinance.

25
26 (5) The National Business Park District Special Tax shall not accelerate by reason of
27 a default on the Bonds.

28
29 (6) No increase in the amount of the National Business Park District Special Tax
30 levied shall result in a levy that exceeds the maximum special tax applicable to any
31 individual property in the Special Taxing District if any other property owner becomes
32 delinquent in the payment of its special tax securing the Bonds.

33
34 (7) The Rate and Method defines "bonds" as any bonds or other debt, including
35 refunding bonds, whether in one or more series, issued by the County relating to the
36 Special Taxing District pursuant to the Special Taxing District Act and the Tax Increment
37 Act. The Rate and Method is hereby confirmed, ratified, adopted and incorporated by
38 reference and made a part of this Ordinance and the applicability of the Rate and Method
39 to the Refunding Bonds is hereby confirmed. It is hereby acknowledged and confirmed
40 that there is levied and imposed a special tax to be known as the "National Business Park
41 District Special Tax" upon all real and personal property within the Special Taxing
42 District, unless exempted by law or by the provisions of Bill No. 15-98 or this Ordinance,
43 for the purposes, to the extent and in the manner provided in the Rate and Method. As set
44 forth in the Rate and Method, no special tax shall be levied to pay debt service on the
45 Bonds, including the Refunding Bonds, unless the Development District Special Fund
46 does not contain money in an amount sufficient to pay such debt service on the Bonds,
47 including the Refunding Bonds. Further, the National Business Park District Special Tax
48 originally levied and imposed by Bill No. 15-98 and confirmed, ratified and adopted by
49 this Ordinance in the Special Taxing District took effect and shall be in force for the Tax

1 Year beginning July 1, 1998 and each Tax Year thereafter through and including June 30,
2 2028, provided that such Special Tax shall terminate when no "bonds" as defined in the
3 Rate and Method, including the 2004 Bonds and the Refunding Bonds, are outstanding
4 which, for purposes of this Ordinance as it relates to the 2004 Bonds and the Refunding
5 Bonds, shall mean the Bonds, including the Refunding Bonds, have been fully repaid or
6 defeased pursuant to the terms of the indenture under which they are issued with bonds
7 that are not secured by the National Business Park District Special Tax. The National
8 Business Park District Special Tax shall be levied in an amount sufficient to also pay
9 County expenses, which, for purposes of this Paragraph, shall include the fees and
10 expenses of any fiscal agent or trustee employed by the County; the expenses of the
11 County in carrying out its duties under the indenture under which the Bonds, including
12 the Refunding Bonds, have been or will be issued, including, but not limited to, levying
13 and collecting the National Business Park District Special Tax and complying with
14 arbitrage rebate requirements and obligated persons disclosure requirements associated
15 with applicable federal and state securities law, including the costs of any employees of
16 the County and fees of any professionals retained by the County to provide services for
17 such purposes; and all other costs and expenses of the County incurred in connection with
18 the discharge of its duties under the indenture, including legal expenses associated with
19 such duties, and, in any way related to the administration of the Special Taxing District.
20 The amount of the National Business Park District Special Tax required to be levied in
21 any Tax Year to provide for the payment of County expenses may be reduced to the
22 extent that amounts are held under the indenture pursuant to which the Bonds, including
23 the Refunding Bonds, are issued, or amounts are otherwise made available to the County,
24 and such amounts are available for the payment of County expenses in such Tax Year.

25
26 (8) The County hereby ratifies and confirms that it covenants to levy the National
27 Business Park District Special Tax at a rate and in an amount at least sufficient in each
28 year in which any of the Bonds, including Refunding Bonds, are outstanding to provide
29 for the payment of the principal of and interest on the Bonds, including Refunding Bonds,
30 to the extent of any deficiency in the Development District Special Fund and to provide
31 for the payment of County expenses, to the extent such expenses are not otherwise
32 provided for, as aforesaid. The National Business Park District Special Tax also may be
33 levied with respect to refunding bonds issued under the Special Taxing District Act
34 pursuant to the provisions of an ordinance or resolution enacted or adopted by the County
35 in connection with the issuance of such refunding bonds.

36
37 (9) Pursuant to the provisions of the Development District Resolution and in
38 accordance with the Tax Increment Act, so long as the Bonds, including Refunding
39 Bonds, remain outstanding, the County shall deposit into the Development District
40 Special Fund all real property taxes received by the County for any Tax Year after the
41 effective date of the Development District Resolution equal to that portion of the taxes
42 payable to the County representing the levy on the Tax Increment that would normally be
43 paid to the County. Notwithstanding the preceding sentence, the County Council,
44 pursuant to an ordinance, may provide for the use of certain money in the Development
45 District Special Fund in compliance with Section 8 of the Development District
46 Resolution and the related provisions of the Tax Increment Act. Money in the
47 Development District Special Fund shall be pledged to the payment of the Bonds,
48 including the Refunding Bonds, other than those amounts withdrawn as permitted by the
49 preceding sentence; provided, however, that the money in the Development District

1 Special Fund may also be pledged by the County for the payment of additional bonds
2 issued by the County under the Tax Increment Act and other authority, if applicable,
3 relating to the public infrastructure improvements financed by the State Bonds or other
4 projects subject to the provisions of the indenture under which the Bonds, including the
5 Refunding Bonds, will be issued. The County hereby covenants to comply with Section
6 9 of the Development District Resolution while any Bonds, including Refunding Bonds,
7 remain outstanding.

8
9 (10) In accordance with Section 19-103 of the Local Government Article of the
10 Annotated Code of Maryland (2013 Replacement Volume and 2003 Supplement) and
11 other applicable provisions of law, the Refunding Bonds shall be further secured by a
12 guaranty agreement provided by the County that obligates the County to timely pay the
13 principal of and interest on the Refunding Bonds in the event that sufficient funds for the
14 timely payment of principal and interest on the Refunding Bonds are not available from
15 the Development District Special Fund and the Special Tax Fund or otherwise. The
16 obligation of the County to make such payments of principal and interest pursuant to the
17 guaranty agreement shall be deemed and shall constitute an unconditional general
18 obligation of the County, to the payment of which, both principal and interest, its full
19 faith and credit are pledged, subject to the limitation on the tax levy set out in Section
20 710(d) of the County Charter. The County hereby covenants that, in each Tax Year
21 during which any principal of or interest on the Refunding Bonds is required to be paid
22 under the guaranty agreement, it will appropriate sufficient funds in each Current
23 Expense Budget to pay the principal of and interest on the Refunding Bonds due in such
24 Tax Year. The County hereby further covenants that, to the extent any such
25 appropriation is not offset by funds from other sources or revenues, it will, subject to the
26 limitation on the tax levy set out in Section 710(d) of the County Charter, fund any such
27 appropriation by the levy of ad valorem taxes on real estate, tangible personal property
28 and intangible personal property subject to taxation by the County, and in addition, on
29 such other intangible property as may be subject to taxation by the County within
30 limitations prescribed by law.

31
32 SECTION 2. *And be it further enacted*, That acting pursuant to the Refunding Act,
33 the Tax Increment Act and the Special Taxing District Act, the issuance and sale of the
34 Refunding Bonds in an aggregate Principal Amount not to exceed \$16,470,000 is hereby
35 authorized for the purpose of refunding or otherwise retiring all or a portion of the
36 outstanding aggregate principal amount of the 2004 Bonds to realize debt service savings
37 on a direct comparison basis, as specified in Section 1(2) above. The proceeds of the
38 Refunding Bonds will be utilized solely to refund or otherwise retire all or a portion of
39 the outstanding principal amount of the 2004 Bonds, and to pay costs and expenses
40 related to the issuance of the Refunding Bonds as permitted pursuant to the provisions of
41 the Refunding Act and this Ordinance. The Refunding Bonds may be issued pursuant to
42 the provisions of an indenture at any time or from time to time in one or more issues or
43 series, and each issue or series of the Refunding Bonds shall be identified by the year of
44 issue or by some other or additional appropriate designation. The Refunding Bonds will
45 be payable, first, from the amounts levied and deposited in the Development District
46 Special Fund created by the Development District Resolution and secondly, to the extent
47 the Development District Special Fund does not contain money in an amount sufficient
48 for payment of debt service on such Refunding Bonds and to the extent amounts are
49 required for deposit in funds and accounts created within such indenture to replenish

1 deficiencies therein, from the National Business Park District Special Tax to be levied
2 and deposited in the Special Tax Fund and other funds existing under the Indenture
3 (hereinafter defined). In addition, the Refunding Bonds shall be further secured by a
4 guaranty agreement provided by the County that obligates the County to timely pay the
5 principal of and interest on the Refunding Bonds in the event that sufficient funds for the
6 timely payment of principal and interest on the Refunding Bonds are not available from
7 the Development District Special Fund and the Special Tax Fund or otherwise, as further
8 described in Section 1(10) above.

9
10 The aggregate Principal Amount of Refunding Bonds issued from time to time
11 hereunder to refund or otherwise retire 2004 Bonds shall not exceed 120% of the
12 principal amount of 2004 Bonds so refunded or retired.

13
14 Prior to the issuance of Refunding Bonds, the County Executive shall execute and
15 deliver a certification establishing that the issuance of the Refunding Bonds will realize
16 debt service savings on a direct comparison basis as specified on Section 1(2) above. In
17 making this certification, the County Executive may rely on the advice of the County's
18 financial advisor regarding such determination.

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

1
2 SECTION 4. *And be it further enacted, That:*

3
4 (1) The Refunding Bonds shall be sold at private (negotiated) sale, and such
5 procedure is hereby determined to be in the public interest. Notwithstanding the
6 foregoing, if the County Executive, or the Chief Administrative Officer of the County if
7 authorized by the County Executive, subsequently determines that it is in the best
8 interests of the County to sell any or all of the Refunding Bonds after first soliciting
9 competitive bids at public sale, then the County Executive or the Chief Administrative
10 Officer of the County, as the case may be, may sell such Refunding Bonds in such
11 manner in accordance with such procedures as she shall deem appropriate; provided,
12 however, that such procedures shall be substantially similar to procedures for the
13 competitive sale of County general obligation bonds set forth in Section 5 of Bill No. 63-
14 13 passed by the County Council on September 3, 2013, approved by the County
15 Executive on September 18, 2013, and effective November 2, 2013.

16
17 (2) The Refunding Bonds issued hereunder are hereby specifically exempted from the
18 provisions of Sections 19-205 and 19-206 of the Local Government Article of the
19 Annotated Code of Maryland (2013 Replacement Volume).

20
21 SECTION 5. *And be it further enacted, That, subject to the provisions of this*
22 *Ordinance, the County Executive by executive order:*

23
24 (1) shall prescribe the form, tenor, terms and conditions of and security for the
25 Refunding Bonds;

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

33
34 (3) may appoint bond counsel, a verification agent, an escrow agent and a financial
35 advisor and, if necessary, may appoint a trustee, a bond registrar and a paying agent or
36 agents for the Refunding Bonds;

37
38 (4) as applicable, may appoint a bank or other financial institution to act as escrow
39 deposit agent under an escrow deposit agreement;

40
41 (5) as applicable, may determine the terms and conditions of the redemption of all or
42 any portion of the 2004 Bonds, including the redemption dates and redemption premiums
43 to be paid for all or any portion of the 2004 Bonds, and the manner of investment of the
44 proceeds of the Refunding Bonds and other funds to provide for the payment and
45 defeasance of the 2004 Bonds;

46
47 (6) as applicable, shall approve the form and contents of, and execute and deliver
48 (where applicable), an escrow deposit agreement providing for the payment and
49 refunding of the 2004 Bonds;

1
2 (7) shall approve the form and contents of, and execute and deliver (where
3 applicable), any indenture of trust between the County and a corporate trustee (which
4 may be in the form of a supplement to the 2004 Indenture) (the "Indenture"), the
5 Guaranty Agreement and such other documents to which the County is a party and which
6 may be necessary to effectuate the issuance, sale and delivery of the Refunding Bonds;

7
8 (8) may select an investment bank or banks or other financial institution to purchase
9 and underwrite the sale of the Refunding Bonds;

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

16
17 (10) may execute and deliver a contract or contracts for the purchase and sale of the
18 Refunding Bonds (or any portion thereof) in form and content satisfactory to the County
19 Executive;

20
21 (11) shall determine the time of execution, issuance, sale and delivery of the
22 Refunding Bonds and prescribe any and all other details of the Refunding Bonds;

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

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

37
38 This delegation of authority to the County Executive is subject to her discretion and
39 to the extent she does not exercise such discretion pursuant to the provisions of this
40 Ordinance, neither such officer nor the County shall be subject to any liability.

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

46
47 (1) The County Executive shall be the officer of the County responsible for the
48 issuance of any Refunding Bonds hereunder within the meaning of the Arbitrage
49 Regulations (defined herein). The County Executive shall also be the officer of the

1 County responsible for the execution and delivery (on the date of issuance of the
2 Refunding Bonds) of a certificate of the County (the "Section 148 Certificate") which
3 complies with the requirements of Section 148 of the Internal Revenue Code of 1986, as
4 amended ("Section 148"), and the applicable regulations thereunder (the "Arbitrage
5 Regulations"), and such official is hereby directed to execute the Section 148 Certificate
6 and to deliver the same to bond counsel on the date of the issuance of the Refunding
7 Bonds.

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

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

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

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

1 agreements relating to the investment of the proceeds of such Refunding Bonds, the
2 payment of rebates (or payments in lieu of rebate) to the United States, limitations on the
3 times within which, and the purpose for which, such proceeds may be expended, or the
4 use of specified procedures for accounting for and segregating such proceeds.
5

6 (6) Notwithstanding anything in this Ordinance to the contrary, Refunding Bonds
7 issued and sold hereunder may be issued and sold on the basis that the interest on such
8 Refunding Bonds will not be excludable from gross income for federal income tax
9 purposes.
10

11 SECTION 7. *And be it further enacted*, That following the execution and delivery
12 of any series of Refunding Bonds, the County Executive, or the Controller of the County,
13 if authorized by the County Executive, shall report the terms thereof in writing at the next
14 meeting of the County Council.
15

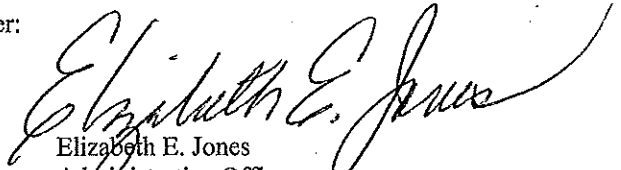
16 SECTION 8. *And be it further enacted*, That the provisions of this Ordinance are
17 severable, and if any provision, sentence, clause, paragraph or part hereof is held or
18 determined to be illegal, invalid or unconstitutional or inapplicable to any person or
19 circumstances, such illegality, invalidity or unconstitutionality or inapplicability shall not
20 affect or impair any of the remaining provisions, sentences, clauses, paragraphs or parts
21 of this Ordinance or their application to other persons or circumstances. It is hereby
22 declared to be the legislative intent that this Ordinance would have been passed if such
23 illegal, invalid, unconstitutional or inapplicable provision, sentence, clause, paragraph or
24 part had not been included herein, and if the person or circumstances to which this
25 Ordinance or any part hereof are inapplicable had been specifically exempted herefrom.
26 Without limiting the foregoing, it is hereby further declared to be the legislative intent
27 that the Guaranty Agreement shall be a fully enforceable obligation of the County
28 notwithstanding any illegality, invalidity or other defect relating to the levy, collection or
29 application of the National Business Park District Special Tax or the levy on the Tax
30 Increment to provide for the payment of the Refunding Bonds.
31

32 SECTION 9. *And be it further enacted*, That by the enactment of this Ordinance, the
33 County has complied with the provisions of the Tax Increment Act and the Special
34 Taxing District Act, including but not limited to Sections 12-203, 12-208(c) and 12-
35 208(d) of the Tax Increment Act and Section 21-507 of the Special Taxing District Act.
36

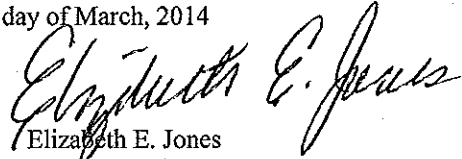
37 SECTION 10. *And be it further enacted*, That this Ordinance shall take effect 45 days
38 from the date it becomes law.
39

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

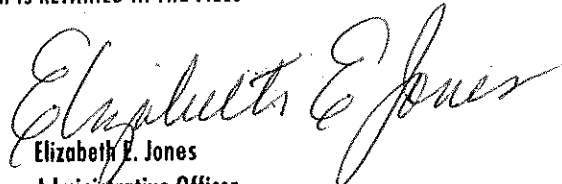

Elizabeth E. Jones
Administrative Officer

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.
10-14. THE ORIGINAL OF WHICH IS RETAINED IN THE FILES
OF THE COUNTY COUNCIL.


Elizabeth E. Jones
Administrative Officer