

FINAL

COUNTY COUNCIL OF ANNE ARUNDEL COUNTY, MARYLAND

Legislative Session 2018, Legislative Day No. 3

Bill No. 6-18

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

By the County Council, February 5, 2018

Introduced and first read on February 5, 2018
Public Hearing set for and held on March 5, 2018
Bill Expires May 11, 2018

By Order: JoAnne Gray, 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 \$30,000,000 in one or
3 more series to be secured by taxes levied on the tax increment on property in the
4 National Business Park - North Development District, special taxes on property in the
5 National Business Park - North Special Taxing District and a guaranty provided by
6 Anne Arundel County, Maryland to refund all or a portion of the outstanding Anne
7 Arundel County, Maryland Special Obligation Bonds (National Business Park - North
8 Project), Series 2010 and determining certain terms and provisions in connection with
9 the issuance, sale, delivery 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 19-
13 207 of the Local Government Article of the Annotated Code of Maryland (2013
14 Replacement Volume and 2017 Supplement) (the "Refunding Act"), Sections 12-201
15 through 12-213 of the Economic Development Article of the Annotated Code of
16 Maryland (2008 Volume and 2017 Supplement) (the "Tax Increment Act"), and
17 Subtitle 5 of Title 21 of the Local Government Article of the Annotated Code of
18 Maryland (2013 Replacement Volume and 2017 Supplement) and Sections 4-8-101
19 through 4-8-106 of the Anne Arundel County Code, as amended (together, the "Special
20 Taxing District Act") in an aggregate principal amount not to exceed \$30,000,000 in
21 one or more series to refund all or a portion of the outstanding Anne Arundel County,
22 Maryland Special Obligation Bonds (National Business Park - North Project), Series
23 2010 dated August 10, 2010 (the "2010 Bonds") in order to achieve debt service
24 savings for the County in each year on a direct comparison basis and to reduce the
25 amortization period for the bonds; providing that special obligation refunding bonds
26 may be issued from time to time; providing for the payment of costs and expenses
27 related to the issuance of such special obligation refunding bonds; finding and
28 determining, among other things, that a debt service reserve fund is not required as a

1 result of the County guaranty securing such special obligation bonds and that refunding
2 all or a portion of the outstanding 2010 Bonds to realize debt service savings
3 accomplishes the public purpose of the Tax Increment Act and the Special Taxing
4 District Act; providing that such special obligation refunding bonds authorized to be
5 issued hereby shall be payable, first, from the amounts levied on the tax increment on
6 the property in the National Business Park - North Development District and deposited
7 in the National Business Park - North Development District Tax Increment Fund (the
8 "Development District Special Fund") created pursuant to Resolution No. 12-10 passed
9 by the County Council of the County (the "County Council") on March 15, 2010 and
10 approved by the County Executive of the County (the "County Executive") on March
11 18, 2010, and, second, to the extent the Development District Special Fund does not
12 contain money in an amount sufficient for payment of debt service on such special
13 obligation refunding bonds and Administrative Expenses, as defined in the Rate and
14 Method (defined herein), from the special tax levied on the property in the National
15 Business Park - North Special Taxing District and deposited in the National Business
16 Park - North Special Taxing District Fund (the "Special Tax Fund") created pursuant
17 to Bill No. 8-10, passed by the County Council on March 15, 2010, approved by the
18 County Executive and enacted on March 18, 2010; providing that such special
19 obligation refunding bonds shall further be secured by a County guaranty of the timely
20 payment of the principal of and interest on such special obligation refunding bonds;
21 pledging the full faith and credit of the County, subject to the limitation on the tax levy
22 set out in Section 710(d) of the County Charter, to the payments required under such
23 guaranty in the event that sufficient funds for the timely payment of principal and
24 interest on such special obligation refunding bonds when due are not available from
25 the Development District Special Fund and the Special Tax Fund or otherwise;
26 covenanting that, in each tax year during which any such payments of principal or
27 interest on such special obligation refunding bonds are required to be paid under such
28 guaranty, the County will appropriate sufficient funds in the Current Expense Budget
29 to pay such principal and interest due in such tax year, and further covenanting that, to
30 the extent any such appropriation is not offset by funds from other sources or revenues,
31 the County will, subject to the limitation on the tax levy set out in Section 710(d) of the
32 County Charter, fund any such appropriation by the levy of ad valorem taxes on real
33 estate, tangible personal property and, in addition, on such intangible property as may
34 be subject to taxation by the County within limitations prescribed by law; providing
35 that such special obligation refunding bonds may be sold at private (negotiated) or
36 competitive sale; providing that the County Executive may determine the manner in
37 which the 2010 Bonds are to be redeemed or retired; authorizing the County Executive
38 of the County to specify, prescribe, determine, provide for and approve certain details,
39 forms, documents and procedures in connection with such special obligation refunding
40 bonds and any other matters necessary or desirable in connection with the
41 authorization, issuance, sale and payment of such special obligation refunding bonds
42 and such other documents as may be necessary and desirable to effectuate the issuance,
43 sale and delivery of such special obligation refunding bonds; and generally providing
44 for, and determining various matters in connection with the issuance, sale, delivery and
45 payment of such special obligation refunding bonds.

RECITALS

1
2
3 Resolution No. 12-10 passed by the County Council of the County (the “County
4 Council”) on March 15, 2010 and approved by the County Executive of the County (the
5 “County Executive”) on March 18, 2010 (the “Development District Resolution” or
6 “Resolution No. 12-10”) created the National Business Park - North Development District
7 and the special fund known as the “National Business Park - North Development District
8 Tax Increment Fund” (the “Development District Special Fund”).
9

10 Bill No. 8-10, passed by the County Council on March 15, 2010, approved by the
11 County Executive and enacted on March 18, 2010 (“Bill No. 8-10” and, together with
12 Resolution No. 12-10, the “Prior Authorizations”), established the National Business Park
13 – North Special Taxing District Fund (the “Special Tax Fund”) and authorized the levy and
14 imposition of a special tax to be known as the “National Business Park - North District
15 Special Tax” (the “Special Tax”) upon all real and personal property within the National
16 Business Park - North Special Taxing District (the “Special Taxing District”) in the manner
17 and through the application of the Rate and Method of Apportionment Special Taxes (the
18 “Rate and Method”), attached as Exhibit C to Bill No. 8-10 and made apart thereof. The
19 National Business Park - North Development District and the National Business Park -
20 North Special Taxing District (together, the “District”) are geographically coincident.
21

22 The County issued its \$30,000,000 Anne Arundel County, Maryland Special
23 Obligation Bonds (National Business Park - North Project), Series 2010 dated August 10,
24 2010 (the “2010 Bonds”) pursuant to (i) Sections 12-201 through 12-213 of the Economic
25 Development Article of the Annotated Code of Maryland, as amended (the “Tax Increment
26 Act”), (ii) Subtitle 5 of Title 21 of the Local Government Article of the Annotated Code of
27 Maryland, as amended (the “State Special Taxing District Act”), (iii) Sections 4-8-101
28 through 4-8-106 of the Anne Arundel County Code, as amended (the “County Special
29 Taxing District Act” and together with the State Special Taxing District Act, the “Special
30 Taxing District Act”), (iv) the Prior Authorizations, and (v) the Indenture of Trust by and
31 between the County and Manufacturers and Traders Trust Company, as trustee, dated as of
32 August 1, 2010 (the “2010 Indenture”).
33

34 The proceeds of the 2010 Bonds were used to finance a portion of the costs of certain
35 public infrastructure improvements benefiting the development of retail, commercial and
36 office facilities and residential units related to the District as described in Exhibit B to Bill
37 No. 8-10.
38

39 The 2010 Bonds are secured by the proceeds of tax collections arising from the taxation
40 of the increase, if any, in the appraised value of real property located in the District since
41 January 1, 2009 and, to the extent the revenues from the tax increment are insufficient,
42 from the National Business Park - North District Special Tax to be levied on the taxable
43 parcels within the District.
44

45 The County has determined that refunding all or a portion of the outstanding 2010
46 Bonds in the manner provided for in this Ordinance will realize debt service savings for
47 the County and reduce the amortization period for the Refunding Bonds. The County has
48 therefore determined to authorize the issuance of special obligation refunding bonds the
49 proceeds of which will be used to refund all or a portion of the outstanding 2010 Bonds to

1 achieve savings on a direct comparison basis. The County also has determined to provide
2 for repayment of such special obligation refunding bonds from the proceeds of tax
3 collections arising from the taxation of the increase, if any, in the appraised value of real
4 property located in the District since January 1, 2009 and, to the extent the revenues from
5 the tax increment are insufficient, from the National Business Park - North District Special
6 Tax to be levied on the taxable parcels within the District. In addition, the County has
7 determined to further secure repayment by guaranteeing repayment of the principal of and
8 interest on such special obligation refunding bonds, as further provided in this Ordinance
9 in order to achieve additional debt service savings.

10
11 SECTION 1. *Be it enacted by the County Council of Anne Arundel County, Maryland,*
12 That:

13
14 (1) Defined terms used in this Ordinance shall have the meanings given such words in
15 the Recitals set forth above or elsewhere herein, unless the context clearly requires a
16 contrary meaning.

17
18 In addition, the following words shall have the meanings specified:

19
20 A. "Assessable Base" shall have the meaning set forth in Section 12-201(c) of the
21 Tax Increment Act;

22
23 B. "Assessment Ratio" shall have the meaning set forth in Section 12-201(d) of the
24 Tax Increment Act;

25
26 C. "Bonds" means the 2010 Bonds and the Refunding Bonds;

27
28 D. "Original Taxable Value" shall have the meaning set forth in Section 12-201(n)
29 of the Tax Increment Act;

30
31 E. "Principal Amount" means the bona fide offering price of the Refunding Bonds
32 to the public;

33
34 F. "Refunding Act" shall mean Section 19-207 of Local Government Article of the
35 Annotated Code of Maryland, as amended (2013 Replacement Volume and 2017
36 Supplement);

37
38 G. "Refunding Bonds" shall mean the special obligation refunding bonds
39 authorized in Section 2 of this Ordinance;

40
41 H. "Tax Increment" shall have the meaning set forth in Section 12-201(s) of the
42 Tax Increment Act and means for any Tax Year the amount by which the Assessable Base
43 as of January 1 of the preceding Tax Year exceeds the Original Taxable Value divided by
44 the Assessment Ratio used to determine the Original Taxable Value; and

45
46 I. "Tax Year" shall have the meaning set forth in Section 12-201(t) of the Tax
47 Increment Act.

1 The Tax Increment shall be determined and the proceeds of the levy on the Tax
2 Increment shall be applied to the payment of the Refunding Bonds in accordance with the
3 Tax Increment Act as in effect on the date of enactment of this Ordinance. The provisions
4 of this Ordinance shall govern in the event of any inconsistency between this Ordinance
5 and any previously adopted or enacted resolution or ordinance.
6

7 (2) Acting pursuant to the Refunding Act, the Tax Increment Act and the Special
8 Taxing District Act, it is hereby found and determined that the issuance of Refunding
9 Bonds for the purpose of refunding all or a portion of the outstanding 2010 Bonds to realize
10 debt service savings on a direct comparison basis and to reduce the amortization period for
11 the Refunding Bonds, accomplishes the public purposes of the Refunding Act and is in
12 furtherance of the purposes of the Tax Increment Act and the Special Taxing District Act.
13 For the purposes of this Ordinance, the issuance of Refunding Bonds shall be deemed (A)
14 to realize debt service savings on a direct comparison basis when the debt service in each
15 Tax Year for the Refunding Bonds together with the debt service on any 2010 Bonds not
16 refunded, defeased or otherwise retired in connection with the issuance of the Refunding
17 Bonds is, in the aggregate, less than the debt service on the 2010 Bonds in each Tax Year
18 determined immediately before the issuance of the Refunding Bonds and (B) reduce the
19 amortization period for the Refunding Bonds when the final maturity date of the Refunding
20 Bonds is earlier than the final maturity date of the 2010 Bonds being refunded.
21

22 (3) Each contract of sale for real property located in the Special Taxing District and
23 each property tax bill for property in the Special Taxing District shall comply with the
24 provisions of the County Special Taxing District Act, Section 4-8-104 "Disclosure to
25 Buyers".
26

27 (4) Based on certifications provided to the County Council regarding customary
28 municipal market requirements for a financing of this nature involving the guaranty
29 provided by the County in connection with the issuance of the Refunding Bonds, the
30 County Council determines that a debt service reserve fund is not required or advisable in
31 connection with the issuance of the Refunding Bonds and the requirement of the Special
32 Taxing District Act that an adequate debt service reserve be maintained is satisfied by
33 virtue of such guaranty.
34

35 (5) The Special Tax shall not accelerate by reason of a default on the Bonds.
36

37 (6) No increase in the amount of the Special Tax levied shall result in a levy that
38 exceeds the Maximum Special Tax (as defined in the Rate and Method) applicable to any
39 individual property in the Special Taxing District if any other property owner becomes
40 delinquent in the payment of its Special Tax.
41

42 (7) The Rate and Method defines "Bonds" as any bonds or other debt, including
43 refunding bonds, whether in one or more series, issued by the County pursuant to the
44 Special Taxing District Act to fund public improvements benefiting the Special Taxing
45 District. The Rate and Method is hereby confirmed, ratified, adopted and incorporated by
46 reference and made a part of this Ordinance and the applicability of the Rate and Method
47 to the Refunding Bonds is hereby confirmed. It is hereby acknowledged and confirmed
48 that there is levied and imposed a special tax to be known as the "National Business Park
49 - North District Special Tax" upon all real and personal property within the Special Taxing

1 District, unless exempted by law or by the provisions of Bill No. 8-10 or this Ordinance,
2 for the purposes, to the extent and in the manner provided in the Rate and Method. As set
3 forth in the Rate and Method, no Special Tax shall be levied to pay debt service on the
4 Bonds, including the Refunding Bonds, unless the Development District Special Fund does
5 not contain money in an amount sufficient to pay such debt service on the Bonds, including
6 the Refunding Bonds. Further, the Special Tax originally levied and imposed by Bill No.
7 8-10 and confirmed, ratified and adopted by this Ordinance in the Special Taxing District
8 took effect and shall be in force for the Tax Year beginning July 1, 2010 and each Tax Year
9 thereafter through and including June 30, 2040, provided that such Special Tax shall
10 terminate when no "Bonds" as defined in the Rate and Method, including the 2010 Bonds
11 and the Refunding Bonds, are outstanding which, for purposes of this Ordinance as it
12 relates to the 2010 Bonds and the Refunding Bonds, shall mean the Bonds, including the
13 Refunding Bonds, have been fully repaid or defeased pursuant to the terms of the indenture
14 under which they are issued with bonds that are not secured by the Special Tax. The Special
15 Tax shall be levied in an amount sufficient to also pay County expenses, which, for
16 purposes of this paragraph, shall include the fees and expenses of any fiscal agent or trustee
17 employed by the County; the expenses of the County in carrying out its duties under the
18 indenture under which the Bonds, including the Refunding Bonds, have been or will be
19 issued, including, but not limited to, levying and collecting the Special Tax and complying
20 with arbitrage rebate requirements and obligated persons disclosure requirements
21 associated with applicable federal and state securities law, including the costs of any
22 employees of the County and fees of any professionals retained by the County to provide
23 services for such purposes; and all other costs and expenses of the County incurred in
24 connection with the discharge of its duties under such indenture, including legal expenses
25 associated with such duties, and, in any way related to the administration of the Special
26 Taxing District. The amount of the Special Tax required to be levied in any Tax Year to
27 provide for the payment of County expenses may be reduced to the extent that amounts are
28 held under the indenture pursuant to which the Bonds, including the Refunding Bonds, are
29 issued, or amounts are otherwise made available to the County, and such amounts are
30 available for the payment of County expenses in such Tax Year.

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

41
42 (9) Pursuant to the provisions of the Development District Resolution and in
43 accordance with the Tax Increment Act, so long as the Bonds, including Refunding Bonds,
44 remain outstanding, the County shall deposit into the Development District Special Fund
45 all real property taxes received by the County for any Tax Year after the effective date of
46 the Development District Resolution equal to that portion of the taxes payable to the
47 County representing the levy on the Tax Increment that would normally be paid to the
48 County. Notwithstanding the preceding sentence, the County Council, pursuant to an
49 ordinance, may provide for the use of certain money in the Development District Special

1 Fund in compliance with Section 6 of the Development District Resolution and the related
2 provisions of the Tax Increment Act. Money in the Development District Special Fund
3 shall be pledged to the payment of the Bonds, including the Refunding Bonds, other than
4 those amounts withdrawn as permitted by the preceding sentence; provided, however, that
5 the money in the Development District Special Fund may also be pledged by the County
6 for the payment of additional bonds issued by the County under the Tax Increment Act and
7 other authority, if applicable, relating to the public infrastructure improvements financed
8 by bonds of the State or other projects subject to the provisions of the indenture under
9 which the Bonds, including the Refunding Bonds, will be issued. The County hereby
10 covenants to comply with Section 7 of the Development District Resolution while any
11 Bonds, including Refunding Bonds, remain outstanding.
12

13 (10) In accordance with Section 19-103 of the Local Government Article of the
14 Annotated Code of Maryland (2013 Replacement Volume and 2017 Supplement) and other
15 applicable provisions of law, the Refunding Bonds shall be further secured by a guaranty
16 by the County (the "Guaranty") to timely pay the principal of and interest on the Refunding
17 Bonds in the event that sufficient funds for the timely payment of principal and interest on
18 the Refunding Bonds are not available from the Development District Special Fund and
19 the Special Tax Fund or otherwise. The obligation of the County to make such payments
20 of principal and interest pursuant to the Guaranty shall be deemed and shall constitute an
21 unconditional general obligation of the County, to the payment of which, both principal
22 and interest, its full faith and credit are pledged, subject to the limitation on the tax levy set
23 out in Section 710(d) of the County Charter. The County hereby covenants that, in each
24 Tax Year during which any principal of or interest on the Refunding Bonds is required to
25 be paid under the Guaranty, it will appropriate sufficient funds in each Current Expense
26 Budget to pay the principal of and interest on the Refunding Bonds due in such Tax Year.
27 The County hereby further covenants that, to the extent any such appropriation is not offset
28 by funds from other sources or revenues, it will, subject to the limitation on the tax levy set
29 out in Section 710(d) of the County Charter, fund any such appropriation by the levy of ad
30 valorem taxes on real estate, tangible personal property and, in addition, on such intangible
31 property as may be subject to taxation by the County within limitations prescribed by law.
32

33 SECTION 2. *And be it further enacted*, That acting pursuant to the Refunding Act,
34 the Tax Increment Act and the Special Taxing District Act, the issuance and sale of the
35 Refunding Bonds in an aggregate Principal Amount not to exceed \$30,000,000 is hereby
36 authorized for the purpose of refunding all or a portion of the outstanding 2010 Bonds to
37 realize debt service savings on a direct comparison basis and to reduce the amortization
38 period for the Refunding Bonds, as specified in Section 1(2) above. The proceeds of the
39 Refunding Bonds will be utilized solely to refund all or a portion of the outstanding 2010
40 Bonds, and to pay costs and expenses related to the issuance of the Refunding Bonds as
41 permitted pursuant to the provisions of the Refunding Act and this Ordinance. The
42 Refunding Bonds may be issued pursuant to the provisions of an indenture at any time or
43 from time to time in one or more issues or series, and each issue or series of the Refunding
44 Bonds shall be identified by the year of issue or by some other or additional appropriate
45 designation. The Refunding Bonds will be payable, first, from the amounts levied and
46 deposited in the Development District Special Fund created by the Development District
47 Resolution and secondly, to the extent the Development District Special Fund does not
48 contain money in an amount sufficient for payment of debt service on such Refunding
49 Bonds and Administrative Expenses (as defined in the Rate and Method), from the Special

1 Tax to be levied and deposited in the Special Tax Fund. In addition, the Refunding Bonds
2 shall be further secured by the Guaranty by the County to timely pay the principal of and
3 interest on the Refunding Bonds in the event that sufficient funds for the timely payment
4 of principal and interest on the Refunding Bonds are not available from the Development
5 District Special Fund and the Special Tax Fund or otherwise, as further described in Section
6 1(10) above.

7
8 The aggregate Principal Amount of Refunding Bonds issued from time to time
9 hereunder to refund 2010 Bonds shall not exceed 120% of the principal amount of 2010
10 Bonds so refunded.

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

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

1 SECTION 4. *And be it further enacted*, That (1) the Refunding Bonds shall be sold at
2 private (negotiated) sale, and such procedure is hereby determined to be in the public
3 interest. Notwithstanding the foregoing, if the County Executive, or the Chief
4 Administrative Officer of the County if authorized by the County Executive, subsequently
5 determines that it is in the best interests of the County to sell any or all of the Refunding
6 Bonds after first soliciting competitive bids at public sale, then the County Executive or
7 the Chief Administrative Officer of the County, as the case may be, may sell such
8 Refunding Bonds in such manner in accordance with such procedures as he shall deem
9 appropriate; provided, however, that such procedures shall be substantially similar to
10 procedures for the competitive sale of County general obligation bonds set forth in Section
11 5 of Bill No. 60-17 passed by the County Council on July 17, 2017, approved by the County
12 Executive on July 24, 2017, and effective September 7, 2017.

13
14 (2) The Refunding Bonds issued hereunder are hereby specifically exempted from the
15 provisions of Sections 19-205 and 19-206 of the Local Government Article of the
16 Annotated Code of Maryland (2013 Replacement Volume and 2017 Supplement).

17
18 SECTION 5. *And be it further enacted*, That, subject to the provisions of this
19 Ordinance, the County Executive by executive order:

20
21 (1) shall prescribe the form, tenor, terms and conditions of and security for the
22 Refunding Bonds;

23
24 (2) shall prescribe the principal amounts, rate or rates of interest, which shall not exceed
25 five percent (5%) per annum, premiums and discounts, if any, denominations, date,
26 maturity or maturities (within the limits prescribed in the Refunding Act, the Tax Increment
27 Act, the Special Taxing District Act and this Ordinance), and the time and place or places
28 of payment of the Refunding Bonds, and the terms and conditions and details under which
29 the Refunding Bonds may be called for redemption prior to their stated maturities;

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

34
35 (4) as applicable, may appoint a bank or other financial institution to act as escrow
36 deposit agent under an escrow deposit agreement;

37
38 (5) as applicable, may determine the redemption dates of the 2010 Bonds and the
39 manner of investment of the proceeds of the Refunding Bonds and other funds to provide
40 for the payment and defeasance of the 2010 Bonds;

41
42 (6) as applicable, shall approve the form and contents of, and execute and deliver
43 (where applicable), an escrow deposit agreement providing for the payment and refunding
44 of the 2010 Bonds;

45
46 (7) shall approve the form and contents of, and execute and deliver (where applicable),
47 any indenture of trust between the County and a corporate trustee (which may be in the
48 form of a supplement to the 2010 Indenture) (the "Indenture"), the Guaranty and such other

1 documents to which the County is a party that may be necessary or desirable to effectuate
2 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 other
8 offering document in connection with the sale of the Refunding Bonds, if such preliminary
9 official statement and final official statement or other offering document are determined to
10 be necessary or desirable for the sale of the Refunding Bonds;

11

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

15

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

18

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

25

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

32

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

36

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

41

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

1 official is hereby directed to execute the Section 148 Certificate and to deliver the same to
2 bond counsel on the date of the issuance of the Refunding Bonds.

3
4 (2) The County shall set forth in the Section 148 Certificate its reasonable expectations
5 as to relevant facts, estimates and circumstances relating to the use of the proceeds of the
6 Refunding Bonds, or of any money, securities or other obligations to the credit of any
7 account of the County that may be deemed to be proceeds of the Refunding Bonds pursuant
8 to Section 148 or the Arbitrage Regulations (collectively, "Bond Proceeds"). The County
9 covenants that the facts, estimates and circumstances set forth in the Section 148 Certificate
10 will be based on the County's reasonable expectations on the date of issuance of the
11 Refunding Bonds and will be, to the best of the certifying officials, knowledge, true and
12 correct as of that date.

13
14 (3) The County covenants and agrees with each of the holders of any of the Refunding
15 Bonds that it will not make, or (to the extent that it exercises control or direction) permit
16 to be made, any use of the Bond Proceeds which would cause the Refunding Bonds to be
17 "arbitrage bonds" within the meaning of Section 148 and the Arbitrage Regulations that
18 are applicable to the Refunding Bonds on the date of issuance of the Refunding Bonds and
19 that may subsequently lawfully be made applicable to the Refunding Bonds.

20
21 (4) The County further covenants that it shall make such use of the Bond Proceeds,
22 regulate the investment of the Bond Proceeds, and take other and further actions as may be
23 required to maintain the excludability from gross income for federal income tax purposes
24 of interest on the Refunding Bonds. All officers, employees and agents of the County are
25 hereby authorized and directed to take such actions, and to provide such certifications of
26 facts and estimates regarding the amount and use of the Bond Proceeds, as may be
27 necessary or appropriate from time to time to comply with, or to evidence the County's
28 compliance with, the covenants set forth in this Section.

29
30 (5) The County Executive, on behalf of the County, may make such covenants or
31 agreements in connection with the issuance of Refunding Bonds issued hereunder as he
32 shall deem advisable in order to assure the registered owners of such Refunding Bonds that
33 interest thereon shall be and remain excludable from gross income for federal income tax
34 purposes, and such covenants or agreements shall be binding on the County so long as the
35 observance by the County of any such covenants or agreements is necessary in connection
36 with the maintenance of the exclusion of the interest on such Refunding Bonds from gross
37 income for federal income tax purposes. The foregoing covenants and agreements may
38 include such covenants or agreements on behalf of the County regarding compliance with
39 the provisions of the Internal Revenue Code of 1986, as amended, as the County Executive
40 shall deem advisable in order to assure the registered owners of such Refunding Bonds that
41 the interest thereon shall be and remain excludable from gross income for federal income
42 tax purposes, including (without limitation) covenants or agreements relating to the
43 investment of the Bond Proceeds, the payment of rebates (or payments in lieu of rebate) to
44 the United States, limitations on the times within which, and the purpose for which, Bond
45 Proceeds may be expended, or the use of specified procedures for accounting for and
46 segregating such proceeds.

47
48 (6) Notwithstanding anything in this Ordinance to the contrary, Refunding Bonds
49 issued and sold hereunder may be issued and sold on the basis that the interest on such

1 Refunding Bonds will not be excludable from gross income for federal income tax
2 purposes.

3

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

8

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

23

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

28

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


READ AND PASSED this 5th day of March, 2018

By Order:



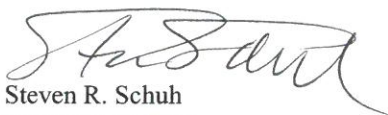
JoAnne Gray
Administrative Officer

PRESENTED to the County Executive for his approval this 6th day of March, 2018



JoAnne Gray
Administrative Officer

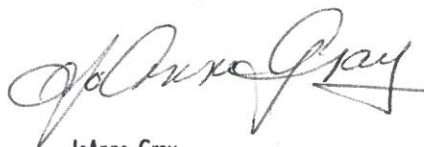
APPROVED AND ENACTED this 12th day of March, 2018



Steven R. Schuh
County Executive

EFFECTIVE DATE: April 26, 2018

I HEREBY CERTIFY THAT THIS IS A TRUE AND CORRECT COPY OF BILL NO.
6-18. THE ORIGINAL OF WHICH IS RETAINED IN THE FILES
OF THE COUNTY COUNCIL.



JoAnne Gray
Administrative Officer