

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND
2009 Legislative Session

Resolution No. CR-77-2009

Proposed by The Chairman (by request – County Executive)

Introduced by Council Members Dernoga and Knotts

Co-Sponsors _____

Date of Introduction October 20, 2009

RESOLUTION

1 A RESOLUTION concerning

2 One Largo Metro Development District

3 For the purpose of designating a contiguous area within Prince George’s County, Maryland (the
4 “County”) as a “development district” as that term is used in Sections 12-201 through 12-213,
5 inclusive, of the Economic Development Article of the Annotated Code of Maryland, as
6 amended (the “Tax Increment Act”), such development district to be located in an
7 unincorporated area of the County known as Largo, Maryland and to be known as the “One
8 Largo Metro Development District”; providing for, and determining, various matters in
9 connection with the establishment of a development district, creating a tax increment fund with
10 respect to the development district, and allocating certain property taxes with respect to the
11 development district to be paid over to the tax increment fund as provided in the Tax Increment
12 Act; making certain findings and determinations with respect to the tax increment fund and the
13 uses of such fund; providing that special obligation bonds may be issued from time to time
14 pursuant to an ordinance or ordinances enacted in accordance with the Tax Increment Act and
15 secured by the tax increment fund; and generally relating to the One Largo Metro Development
16 District.

17 WHEREAS, the Tax Increment Act constitutes those provisions of Maryland law
18 authorizing the County to establish a “development district” (as that term is used in the Tax
19 Increment Act) and a tax increment fund into which the taxes representing the levy on the Tax
20 Increment (hereinafter defined) for the Development District (hereinafter defined) are deposited;
21 and

22 WHEREAS, the owners of the real property in the proposed One Largo Metro

1 Development District plan to construct an office complex including federally-occupied office
2 towers; parking facilities and retail, commercial and park facilities; and

3 WHEREAS, the County encompasses approximately 33 percent of the land area in the
4 Washington, D.C. metropolitan area and accounts for only 5 percent of federally-occupied office
5 space in the Washington, D.C. metropolitan area; and

6 WHEREAS, pursuant to CR-87-2008, the County Council of Prince George's County,
7 Maryland supported the location and relocation of federal agencies to the County in order to
8 address the growing disparity of federally-occupied office space in the County and other areas of
9 the Washington, D.C. metropolitan area, including other suburban jurisdictions in Maryland and
10 northern Virginia, and resolved that the County is prepared to employ economic incentives to
11 facilitate the location and relocation of federal agencies to the County; and

12 WHEREAS, such development will further economic development within the County and
13 thus meet the public purposes contemplated by the Tax Increment Act; and

14 WHEREAS, the Tax Increment Act authorizes the County to issue special obligation bonds
15 from time to time for the purpose of providing funds to be used to fulfill one or more of the
16 purposes of said Act; and

17 WHEREAS, the County expects to issue special obligation bonds in one or more series to
18 finance parking facilities and infrastructure improvements; and

19 WHEREAS, if the County issues its special obligation bonds upon enactment of an
20 ordinance or ordinances such ordinance or ordinances will provide that the special obligation
21 bonds shall be secured by a pledge of the taxes representing the levy on the Tax Increment (the
22 "County Taxes") and any other revenues pledged by the County as more specifically provided
23 for therein.

24 SECTION 1. NOW, THEREFORE, BE IT RESOLVED by the County Council of Prince
25 George's County, Maryland, that for the purposes of this Resolution, the terms defined in the
26 recitals shall have the meanings therein set forth and, in addition, the following terms shall have
27 the meanings set forth below:

28 (1) "Adjusted Assessable Base" means the fair market value of real property that
29 qualifies for a farm or agricultural use under Section 8-209 of the Tax-Property Article, without
30 regard to the agricultural use assessment of the property as of January 1 of that year preceding
31 the effective date of the resolution creating the Development District under Section 12-203 of the

1 Tax Increment Act.

2 (2) "Assessable Base" means the total assessable base, as determined by the
3 Supervisor of Assessments, of all real property subject to taxation in the Development District.

4 (3) "Assessment Ratio" means a real property tax assessment ratio, however
5 designated or calculated, that is used or applied under applicable general law to determine the
6 Assessable Base including the assessment percentage as provided under § 8-103(c) of the Tax-
7 Property Article.

8 (4) "Bonds" includes any revenue bonds or bond, note or notes, or other similar
9 instruments or instrument issued by the County pursuant to and in accordance with this
10 Resolution and the Tax Increment Act.

11 (5) "Development District" means the contiguous area in the County designated in
12 Section 3 of this Resolution as a development district under the Tax Increment Act.

13 (6) "Original Assessable Base" means the Assessable Base as of January 1 of the year
14 preceding the effective date of this Resolution, which is January 1, 2008.

15 (7) "Original Full Cash Value" means the dollar amount that is determined by
16 dividing the Original Assessable Base by the Assessment Ratio used to determine the Original
17 Assessable Base.

18 (8) "Original Taxable Value" means, for any Tax Year, the dollar amount that is:

19 (a) The Adjusted Assessable Base, if an Adjusted Assessable Base applies; or

20 (b) In all other cases, the lesser of:

21 (i) The product of multiplying the Original Full Cash Value by the
22 Assessment Ratio applicable to that Tax Year; and

23 (ii) The Original Assessable Base.

24 (9) "Tax Increment" means for any Tax Year, the amount by which the Assessable
25 Base as of January 1 preceding that Tax Year exceeds the Original Taxable Value divided by the
26 Assessment Ratio used to determine the Original Taxable Value.

27 (10) "Tax Increment Fund" means the tax increment fund established in Section 5 of
28 this Resolution.

29 (11) "Tax Year" means the period from July 1 of a calendar year through June 30th of
30 the next calendar year.

31 SECTION 2. BE IT FURTHER RESOLVED, that acting pursuant to the Tax Increment

1 Act, it is hereby found and determined that the establishment of the Development District, the
2 creation of the Tax Increment Fund and the issuance of Bonds from time to time pursuant to the
3 Tax Increment Act, all for the purpose of providing funds to finance the costs of certain parking
4 facilities to be generally available to the general public and infrastructure improvements
5 accomplishes the public purposes of the Tax Increment Act, and generally promotes the health,
6 welfare and safety of the residents of the State of Maryland and of the County, and furthers the
7 County's goal of facilitating the location and relocation of federal agencies to the County
8 pursuant to CR-87-2008.

9 SECTION 3. BE IT FURTHER RESOLVED, that a contiguous area of the County
10 consisting of the property set forth on Exhibit A attached hereto is hereby designated as a
11 "Development District" (to be known as the "One Largo Metro Development District") pursuant
12 to Section 12-203 of the Tax Increment Act. The Development District shall consist of the
13 property listed as Tax Parcel ID #3585775 as further described in Exhibit A of this Resolution
14 and all adjoining roads, highways, alleys, rights of way and other similar property in order to
15 form a contiguous area as shown on the plat attached hereto as Exhibit B and submitted to the
16 County Council together with this Resolution. The boundaries of the Development District may
17 be further specified or modified prior to and after the issuance of the Bonds as provided in
18 Section 4 of this Resolution.

19 SECTION 4. BE IT FURTHER RESOLVED, that prior to the issuance of the Bonds, the
20 County Executive may, by executive order, reduce or enlarge the boundaries of the Development
21 District by not more than two acres or further specify the description of such boundaries. After
22 the issuance of the Bonds, the County Executive, by executive order, may enlarge the boundaries
23 of the Development District but may not reduce the size of such District so long as there are any
24 Bonds outstanding pursuant to the Tax Increment Act and this Resolution, unless the ordinance
25 with respect to such Bonds permits the County to reduce the area constituting the Development
26 District or the holders of the Bonds or a representative on their behalf consents to any such
27 reduction.

28 SECTION 5. BE IT FURTHER RESOLVED, that there is hereby established a special
29 fund to be designated the "One Largo Metro Development District Tax Increment Fund" (the
30 "Tax Increment Fund") with respect to the One Largo Metro Development District and the
31 County Executive, Chief Administrative Officer and the Financial Officer of the County are

1 hereby directed and authorized to deposit in such Tax Increment Fund all taxes received by the
2 County for any Tax Year commencing after the effective date of this Resolution equal to that
3 portion of the taxes payable to the County (but not including any taxes payable to the State of
4 Maryland or to any other party) representing the levy on the Tax Increment that would normally
5 be paid to the County. The County Executive, the Chief Administrative Officer and the
6 Financial Officer and other officers and employees of the County, to the extent applicable, are
7 hereby authorized to take all necessary steps in order to establish a separate fund to be held by
8 the County. Prior to the issuance of the Bonds, the Tax Increment Fund may be used by the
9 County for any of the purposes set forth in Section 12-209 of the Tax Increment Act, including
10 payments to the County for any legal purpose.

11 SECTION 6. BE IT FURTHER RESOLVED, that Bonds may be issued from time to time
12 pursuant to an ordinance or ordinances enacted in accordance with the Tax Increment Act for the
13 purpose of providing funds for the financing of certain parking facilities and infrastructure
14 improvements. Such ordinance or ordinances shall specify, in general detail, the improvements
15 to be financed through the issuance of the Bonds and the nature and extent of any pledge of
16 County revenues for the payment of debt service on the Bonds, and shall otherwise conform to
17 the applicable requirements of the Tax Increment Act and this Resolution.

18 SECTION 7. BE IT FURTHER RESOLVED, that the County hereby covenants and
19 pledges that if any Bonds issued under the Tax Increment Act with respect to the Development
20 District are outstanding, the property taxes on real property within the Development District shall
21 be divided so that (i) that portion of the taxes which would be produced by the rate at which
22 taxes levied each year by the County upon the Original Taxable Value shall be allocated to and
23 when collected paid into the funds of the County in the same manner as taxes by or for the
24 County on all other property are paid and (ii) that portion of the taxes representing the levy on
25 the Tax Increment that would normally be paid to the County (but not including any taxes
26 payable to the State of Maryland or to any other party) shall be paid into the Tax Increment Fund
27 established hereunder to be applied in accordance with the provisions of Section 12-209 of the
28 Tax Increment Act. The County acknowledges that neither the rate at which taxes are levied on
29 real property within the Development District nor the manner of assessment of the value of real
30 property within the Development District is to vary from the rate or manner of assessment that
31 otherwise would have applied if the Development District were not designated and the Tax

1 Increment Fund not created, except to the extent that a specific valuation adjustment is mandated
2 by the Tax Increment Act for real property that qualifies for farm or agricultural use.

3 SECTION 8. BE IT FURTHER RESOLVED, that the provisions of this Resolution are
4 severable, and if any provision, sentence, clause, section or part hereof is held or determined to
5 be illegal, invalid or unconstitutional or inapplicable to any person or circumstances, such
6 illegality, invalidity or unconstitutionality or inapplicability shall not affect or impair any of the
7 remaining provisions, sentences, clauses, sections or parts of this Resolution or their application
8 to other persons or circumstances. It is hereby declared to be the legislative intent that this
9 Resolution would have been passed if such illegal, invalid, unconstitutional or inapplicable
10 provision, sentence, clause, section or part had not been included herein, and as if the person or
11 circumstances to which this Resolution or any part hereof are inapplicable had been specifically
12 exempted herefrom.

13 SECTION 9. BE IT FURTHER RESOLVED, that this Resolution is administrative in
14 nature and shall take effect upon approval by the County Executive.

Adopted this 3rd day of November, 2009.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY: _____
Marilynn M. Bland
Chairperson

ATTEST:

Redis C. Floyd
Clerk of the Council

APPROVED:

DATE: _____ BY: _____
Jack B. Johnson
County Executive

EXHIBIT A

DESCRIPTION OF THE PARCEL

Being Parcel 1-A as shown on the plat (attached hereto as Exhibit B) entitled "Parcels 1A and 1B, Block "D" Resubdivision of Parcel 1, Block D Largo Town Center" recorded among the land records of Prince George's County Maryland in Plat Book REP199 Plat No. 75 recorded March 18, 2004.

Tax Parcel ID: #3585775

EXHIBIT B

PLAT

[See Attached]