

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND
2018 Legislative Session

Resolution No. CR-57-2018

Proposed by The Chair (by request – County Executive)

Introduced by Council Members Glaros, Turner, Taveras, Franklin and Patterson

Co-Sponsors _____

Date of Introduction September 4, 2018

RESOLUTION

1 A RESOLUTION concerning

2 Karington Special Taxing District

3 For the purpose of designating an area within Prince George’s County, Maryland as a “special
4 taxing district” as that term is used in Section 10-269 of the Prince George’s County Code, as
5 amended, and as that term is used in Sections 21-501 through 21-523 of the Local Government
6 Article of the Annotated Code of Maryland, as amended (the “Special Taxing District Act” and,
7 collectively with Section 10-269 of the Prince George’s County Code, the “Act”), such special
8 taxing district to be located in the County and the City of Bowie, Maryland, if annexed, and to be
9 known as the “Karington Special Taxing District”; providing for and determining various matters
10 in connection with the establishment of a special taxing district; creating a special fund with
11 respect to the Special Taxing District; providing for the levy of a special tax in connection with
12 the Special Taxing District; pledging proceeds of such special tax to be paid over to the special
13 fund as provided in the Act; making certain findings and determinations with respect to the
14 special fund and the use of such fund; providing that special obligation bonds may be issued
15 from time to time pursuant to an ordinance or ordinances enacted in accordance with the Act and
16 secured by the special fund; and generally relating to the Karington Special Taxing District.

17 WHEREAS, pursuant to CR-73-2016, the County Council designated a contiguous area
18 within Prince George’s County, Maryland (the “County”) known as the “Karington Development
19 District” as a “development district” as that term is used in the Tax Increment Act, Sections 12-
20 201 through 12-213 of the Economic Development Article of the Annotated Code of Maryland,
21 as amended (the “Tax Increment Act”), and established the “Karington Development District
22 Tax Increment Fund” (the “Tax Increment Fund”) into which the County directed that the Tax

1 Increment (as defined in CR-73-2016) be deposited; and

2 WHEREAS, Section 10-269 of the Prince George’s County Code, as amended, and
3 Sections 21-501 through 21-523 of the Local Government Article of the Annotated Code of
4 Maryland (the “Special Taxing District Act” and, collectively with Section 10-269 of the Prince
5 George’s County Code, the “Act”), constitute those provisions of Maryland law authorizing the
6 County to establish a “special taxing district” (as that term is used under the Act) and a special
7 fund into which the Special Tax (hereinafter defined) for the Special Taxing District (hereinafter
8 defined) is deposited; and

9 WHEREAS, Karington, LLC (the “Owner”) is the owner of at least two-thirds of the
10 assessed valuation of the real property located within the Special Taxing District and at least
11 two-thirds of the owners of the real property located within the Special Taxing District and has
12 petitioned the County to designate and create the Special Taxing District on property in the
13 County, which may be annexed by the City of Bowie, Maryland, as more specifically provided
14 within such petition; and

15 WHEREAS, the property within the Special Taxing District may be annexed by the City of
16 Bowie, which will be required to consent to the designation of property within the Special
17 Taxing District as a “special taxing district”; and

18 WHEREAS, The Michael Companies, Inc. and Chesapeake Realty Partners, or one of their
19 subsidiaries or affiliates (the “Developers”), will manage the development of the property on
20 behalf of the Owner and plans to cause to be constructed a mixed-use development including
21 retail, commercial, residential and office facilities and hotels and related infrastructure
22 improvements; and

23 WHEREAS, such development will further economic development within the County and
24 thus meet the public purposes contemplated by the Act; and

25 WHEREAS, the Owner has requested the levy of a Special Tax upon all real property
26 within the proposed Special Taxing District unless exempted by law or as provided herein and in
27 an ordinance that may be enacted authorizing the issuance of the bonds; and

28 WHEREAS, the Owner has requested that the County issue its special obligation bonds in
29 one or more issues or series to finance infrastructure improvements within or adjacent to the
30 Special Taxing District, as permitted by the Act; and

31 WHEREAS, the Act authorizes the County to issue special obligation bonds from time to

1 time for the purpose of providing funds to be used to fulfill one or more of the purposes of said
2 Act; and

3 WHEREAS, the County expects to issue its special obligation bonds upon enactment of an
4 ordinance or ordinances, such ordinance or ordinances will provide that the special obligation
5 bonds shall be secured by a pledge of the Special Taxes and any other revenues pledged by the
6 County and the City of Bowie, as more specifically provided for therein.

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

11 (1) "Bonds" means special obligation bonds, revenue bonds, notes, or other similar
12 instruments issued by the County pursuant to and in accordance with this Resolution and the Act.

13 (2) "Special Tax" means the special taxes levied and imposed by the County on the
14 real property within the Special Taxing District pursuant to the Act.

15 (3) "Special Taxing District" means the area within the County designated in Section
16 3 of this Resolution as a special taxing district under the Act.

17 (4) "Special Taxing District Fund" means the special taxing district fund established
18 in Section 4 of this Resolution.

19 SECTION 2. BE IT FURTHER RESOLVED, that acting pursuant to the Act, it is hereby
20 found and determined that the establishment of the Special Taxing District, the creation of the
21 Special Taxing District Fund and the issuance of Bonds from time to time pursuant to the Act, all
22 for the purpose of providing funds to finance the costs of certain infrastructure improvements
23 within or adjacent to the Special Taxing District, accomplishes the public purposes of the Act
24 and generally promotes the health, welfare and safety of the residents of the State of Maryland,
25 of the County, and of the City of Bowie.

26 SECTION 3. BE IT FURTHER RESOLVED, that an area of the County consisting of the
27 property set forth below is hereby designated as a "Special Taxing District" (to be known as the
28 "Karrington Special Taxing District") pursuant to Section 10-269(e) of the Prince George's
29 County Code, as amended, and Section 21-503 of the Special Taxing District Act. The Special
30 Taxing District shall consist of property described in Exhibit A attached hereto and made a part
31 hereof and as depicted in the maps attached hereto as Exhibit B and all adjoining roads,

1 highways, alleys, rights of way, parks and other similar property. The boundaries of the Special
2 Taxing District may be modified prior to and after the issuance of the Bonds.

3 SECTION 4. BE IT FURTHER RESOLVED, that there is hereby established a “special
4 fund” within the meaning of the Act to be designated the “Karrington Special Taxing District
5 Fund” with respect to the Special Taxing District. The taxes derived from the levy of the Special
6 Tax on real property within the Special Taxing District, once such Special Tax is levied and
7 collected, shall be paid over to the Special Taxing District Fund pursuant to Section 21-506 of
8 the Special Taxing District Act and Section 10-269(e)(2)(B) of the Prince George’s County
9 Code. The County Executive, the Chief Administrative Officer and the Financial Officer and
10 other officers and employees of the County, to the extent applicable, are hereby authorized to
11 take all necessary steps in order to establish a separate fund to be held by the County.

12 SECTION 5. BE IT FURTHER RESOLVED, that Bonds may be issued from time to time
13 pursuant to an ordinance or ordinances enacted in accordance with the Act for the purpose of
14 providing funds for the financing of infrastructure improvements within or adjacent to the
15 Special Taxing District. Such ordinance or ordinances shall specify, in general detail, the
16 proposed undertaking to be financed with the proceeds of the Bonds, and shall otherwise
17 conform to the requirements of the Act and this Resolution.

18 SECTION 6. BE IT FURTHER RESOLVED, that there hereby is levied and imposed, if
19 necessary, a Special Tax upon all real and personal property within the Special Taxing District,
20 unless exempted by law or by the provisions hereof, for the purposes, to the extent and in the
21 manner provided in the Rate and Method of Apportionment of Special Taxes, attached hereto as
22 Exhibit C and made a part hereof (the “Rate and Method”), through the application of the
23 procedures provided in the Rate and Method. As set forth in the Rate and Method, no Special
24 Tax shall be levied to pay debt service on the Bonds unless the Tax Increment Fund does not
25 contain monies in an amount sufficient to pay such debt service on the Bonds, to replenish the
26 debt service reserve fund, if established to secure the Bonds, and to pay any administrative
27 expenses of the County. Further, the Special Tax levied and imposed by this Resolution in the
28 Special Taxing District shall take effect and be in force for the fiscal year beginning July 1,
29 2019, provided that such Special Tax shall terminate when the Bonds are no longer outstanding
30 which, for purposes of this Act as it relates only to the Special Tax, shall mean the Bonds have
31 been fully repaid or defeased. The County hereby covenants to levy, if necessary, the Special

1 Tax in rate and amount at least sufficient in each year in which any of the Bonds are outstanding
2 to provide, if necessary, for the payment of the principal of and interest on the Bonds to the
3 extent of any deficiency in the Tax Increment Fund, to make any other required payments and to
4 provide for the payment of the County's administrative expenses. The Special Tax may also be
5 levied with respect to refunding bonds issued under the Act pursuant to the provisions of an
6 ordinance or resolution enacted or adopted by the County in connection with the issuance of such
7 refunding bonds.

8 The County Council has been provided with documentation as to the methodology utilized
9 in apportioning the Special Tax among property owners within the Special Taxing District and,
10 based on such documentation, find that the methodology is reasonable and results in fairly
11 allocating the cost of the improvements as required by the Special Taxing District Act,
12 conditioned on and subject to certification by qualified experts as to the final methodology
13 adopted in apportioning the Special Tax among the property owners.

14 SECTION 7. BE IT FURTHER RESOLVED, that the provisions of this Resolution are
15 severable, and if any provision, sentence, clause, section or part hereof is held or determined to
16 be illegal, invalid or unconstitutional or inapplicable to any person or circumstances, such
17 illegality, invalidity or unconstitutionality or inapplicability shall not affect or impair any of the
18 remaining provisions, sentences, clauses, sections or parts of this Resolution or their application
19 to other persons or circumstances. It is hereby declared to be the legislative intent that this
20 Resolution would have been passed if such illegal, invalid, unconstitutional or inapplicable
21 provision, sentence, clause, section or part had not been included herein, and as if the person or
22 circumstances to which this Resolution or any part hereof are inapplicable had been specifically
23 exempted herefrom.

24 SECTION 8. BE IT FURTHER RESOLVED, that this Resolution is administrative in
25 nature and shall take effect upon approval by the County Executive.

Adopted this 9th day of October, 2018.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY: _____
Dannielle M. Glaros
Chairman

ATTEST:

Redis C. Floyd
Clerk of the Council

APPROVED:

DATE: _____

BY: _____
Rushern L. Baker, III
County Executive

Exhibit A

**PROPERTIES INCLUDED IN THE
KARINGTON SPECIAL TAXING DISTRICT**

The special taxing district will be comprised of the tax parcels identified by the tax account numbers in the table below and as described in the attached legal description, all as shown on the maps in Exhibit B.

Tax Account Identifier

07 3813516

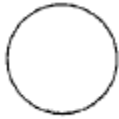
07 3813524

11721 WOODMORE ROAD, SUITE 200
MITCHELLVILLE, MD 20721

TELEPHONE: 301-430-2000

FAX: 301-430-2001

E-MAIL: bendyer@bendyer.com



BEN DYER ASSOCIATES, INC.
Engineers / Surveyors / Planners

EXHIBIT A
OUTPARCEL 'A', OUTPARCEL 'B' AND
KARINGTON CENTER BOULEVARD
KARINGTON
QUEEN ANNE DISTRICT NO. 7
PRINCE GEORGE'S COUNTY, MARYLAND

Being a portion of those lands conveyed by a deed dated December 28, 2000 from Collington Corporate Center I Limited Partnership to Karington. LLC recorded among the Land Records of Prince George's County, Maryland in Liber 14286 at Folio 171, more particularly described as follows:

Being all of Outparcel 'A' and all of Karington Center Boulevard, variable width right-of-way, as shown on a Plat of Subdivision entitled "Plat One, Outparcel 'A' and Karington Center Boulevard, Karington" recorded among the said Land Records in Plat Book REP 215 as Plat No. 89 and all of Outparcel 'B' as shown on a Plat of Subdivision entitled "Plat Two, Outparcel 'B', Karington" recorded among the said Land Records in Plat Book REP 215 as Plat No. 90.

Containing an area of 381.5297 acres of land, more or less.

This description was prepared by me or under my responsible charge in compliance with requirements set forth in COMAR 09.13.06.12 and I am a duly licensed Professional Land Surveyor under the laws of the State of Maryland.

Ben Dyer Associates, Inc.

8 Sep 16
Date

Mark E. Powell
Mark E. Powell
Professional Land Surveyor
MD No. 21153
License Renews 01/28/17



7.Desc. Karington-Parcels-A-B.MEP.0908/eol

Exhibit B

KARINGTON SPECIAL TAXING DISTRICT MAP

[Attached]

Exhibit C

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES

[Attached]