

Prince George's County Council

Agenda Item Summary

Meeting Date: 10/26/2010
Reference No.: CB-095-2010
Draft No.: 2
Proposer(s): Harrison
Sponsor(s): Harrison
Item Title: An Act concerning the issuance the Issuance of Special Obligation Tax Increment Financing Bonds for Woodmore Towne Centre Development District for the purpose of providing that special obligation tax increment financing bonds may be issued under the provisions of this Act, Sections 12-201 through 12-213 of the Economic Development Article of the Annotated Code of Maryland, as amended (the "Tax Increment Financing Act"), and CR-85-2009 of the County Council of Prince George's County, Maryland (the "Formation Resolution") in an aggregate principal amount of Seventeen Million Dollars (\$17,000,000)

Drafter: Legal Staff
Resource Personnel: Rodney Streeter, Chief of Staff

LEGISLATIVE HISTORY:

Date Presented:		Executive Action:	11/29/2010 US
Committee Referral:		Effective Date:	1/14/2011
Committee Action:	10/20/2010 - NR		

Date Introduced: 9/28/2010
Public Hearing: 10/26/2010 - 10:00 AM

Council Action (1): 10/26/2010 - ENACTED
Council Votes: MB:A, WC:AB, SHD:A, TD:AB, CE:-, AH:A, TK:A, EO:-, IT:A
Pass/Fail: P
Remarks:

AFFECTED CODE SECTIONS:

COMMITTEE REPORTS:

Public Safety and Fiscal Management **Date 10/20/2010**
COMMITTEE VOTE: No Recommendation 5-0 (In Favor: Council Members Exum, Harrison, Campos, Dean and Turner)

This bill will authorize the issuance of special obligation tax increment financing (TIF) bonds in an amount of Seventeen Million Dollars (\$17,000,000) to finance certain infrastructure (include but not limited to parking facilities, road improvements and stormwater management) relating to Woodmore Towne Centre at Glenarden Development District. Approximately 5,400 new jobs are expected to be created when the entire project is built out. Currently, 970 jobs have been created, with county residents holding 73% of the jobs.

The County established the "Woodmore Town Center at Glenarden Development District pursuant to the Tax Incremental Financing Act with the adoption of CR-85-2009. The issuance of the special obligation TIF bonds shall

have an interest rate of seven percent (7%) per annum for 30 years. The TIF is related to County property taxes only and does not involve Glenarden's property taxes.

The Financial Consultant recommended that the legislation be amended to incorporate the criteria set forth in CR-98-2010.

The Developer estimated a 3% inflation rate and expect to utilized 30.8% of the TIF revenue over the 30 year period, \$42,800,308 is the Debt Service Costs (\$41,895,548 to developer) and \$96,181,728 to the County from the TIF portion of property taxes reflecting the 30.8% the TIF revenues for the developer's debt service and other TIF related cost and 69.2% of the TIF revenues for the County.

BACKGROUND INFORMATION/FISCAL IMPACT:

(Includes reason for proposal, as well as any unique statutory requirements)

10/26/2010 - CB-95-2010 was amended on the floor prior to enactment; (DR-2) was enacted.

CODE INDEX TOPICS:

INCLUSION FILES:

I-CB-95-2010 Attachment A.pdf
