

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND
2013 Legislative Session

Resolution No. CR-46 -2013
 Proposed by The Chair (by request – County Executive)
 Introduced by Council Members Harrison, Davis, Franklin, Lehman, Patterson and Toles
 Co-Sponsors _____
 Date of Introduction June 4, 2013

RESOLUTION

1 A RESOLUTION concerning
 2 Suitland-Naylor Road 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 Financing Act”), such development district to be located in a
 7 contiguous unincorporated area of the County surrounding the Suitland, Maryland Metro Station
 8 Area which is connected to the area surrounding the Naylor Road Metro Station Area by the
 9 open space area along Suitland parkway, to be known as the “Suitland-Naylor Road
 10 Development District”; providing for, and determining, various matters in connection with the
 11 establishment of a development district, creating a tax increment fund with respect to the
 12 development district, and allocating certain property taxes with respect to the development
 13 district to be paid over to the tax increment fund as provided in the Tax Increment Financing
 14 Act; making certain findings and determinations with respect to the tax increment fund and the
 15 uses of such fund; providing that special obligation bonds may be issued from time to time
 16 pursuant to an ordinance or ordinances enacted in accordance with the Tax Increment Financing
 17 Act and secured by the tax increment fund; and generally relating to the Suitland –Naylor Road
 18 Development District.

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

1 deposited; and

2 WHEREAS, the development of the real property in the proposed Suitland-Naylor Road
3 Development District plan will include commercial office space; a parking garage; retail,
4 commercial and park facilities; and residential units; and

5 WHEREAS, the County will work with the U.S. DOT, HUD and EPA Sustainable
6 communities' partnership to target federal funding toward the development district including
7 land transfer for Federally owned open space, working with the EPA to design developments
8 that preserve watershed, wetlands while producing upscale developments generating tax
9 increment to pay the costs of public projects, to increase community revitalization, the efficiency
10 of public works investments and safeguard rural landscapes.

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

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

16 WHEREAS, the County expects to issue special obligation bonds in one or more series to
17 finance a Suitland performing arts center with a theatre, acquire and clear properties to create
18 development site assembly near Naylor Road Metro Station, improvements to Silver Hill Road
19 including repaving, sidewalks, streetscape, pedestrian sidewalks, crosswalks, landscaping,
20 planting strips and signage, acquire and clear various properties near Silver Hill Road and
21 Suitland Parkway, construction of parking facilities, roads, streets, water and sewer utilities and
22 related infrastructure improvements for a town center, and other retail developments,
23 construction of parking facilities, roads, streets, water and sewer utilities and related
24 infrastructure improvements for presently undeveloped sites concurrent with change in zoning to
25 multifamily high density from for open space, one-family and multi-family low or medium
26 density housing; and

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

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

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

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

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

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

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

21 (6) "Original Assessable Base" means the Assessable Base as of January 1 of the year
 22 preceding the effective date of this Resolution, which is January 1, 2011.

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

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

- 27 (a) The Adjusted Assessable Base, if an Adjusted Assessable Base applies; or
- 28 (b) In all other cases, the lesser of:
 - 29 (i) The product of multiplying the Original Full Cash Value by the
 - 30 Assessment Ratio applicable to that Tax Year; and
 - 31 (ii) The Original Assessable Base.

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

4 (10) “Tax Increment Fund” means the tax increment fund established in Section 5 of
5 this Resolution.

6 (11) “Tax Year” means the period from July 1 of a calendar year through June 30th of
7 the next calendar year.

8 SECTION 2. BE IT FURTHER RESOLVED, that acting pursuant to the Tax Increment
9 Financing Act, it is hereby found and determined that the establishment of the Development
10 District, the creation of the Tax Increment Fund and the issuance of Bonds from time to time
11 pursuant to the Tax Increment Financing Act, all for the purpose of providing funds to finance
12 the costs of parking facilities, roads, streets, water and sewer utilities and related infrastructure
13 improvements accomplishes the public purposes of the Tax Increment Financing Act, and
14 generally promotes the health, welfare and safety of the residents of the State of Maryland and of
15 the County.

16 SECTION 3. BE IT FURTHER RESOLVED, that a contiguous area of the County
17 consisting of the property set forth on Exhibit A attached hereto is hereby designated as a
18 “Development District” (to be known as the “Suitland- Naylor Road Development District”)
19 pursuant to Section 12-203 of the Tax Increment Financing Act. The Development District shall
20 consist of the property described in Exhibit A of this Resolution and all adjoining roads,
21 highways, alleys, rights of way and other similar property in order to form a contiguous area as
22 shown on the plat attached hereto as Exhibit B and submitted to the County Council together
23 with this Resolution. The boundaries of the Development District may be further specified or
24 modified prior to and after the issuance of the Bonds as provided in Section 4 of this Resolution.

25 SECTION 4. BE IT FURTHER RESOLVED, that prior to the issuance of the Bonds, the
26 County Executive may, by executive order, reduce or enlarge the boundaries of the Development
27 District by not more than two acres or further specify the description of such boundaries. After
28 the issuance of the Bonds, the County Executive, by executive order, may enlarge the boundaries
29 of the Development District but may not reduce the size of such District so long as there are any
30 Bonds outstanding pursuant to the Tax Increment Financing Act and this Resolution, unless the
31 ordinance with respect to such Bonds permits the County to reduce the area constituting the

1 Development District or the holders of the Bonds or a representative on their behalf consents to
2 any such reduction.

3 SECTION 5. BE IT FURTHER RESOLVED, that there is hereby established a special
4 fund to be designated the "Suitland-Naylor Road Development District Tax Increment Fund"
5 (the "Tax Increment Fund") with respect to the Suitland-Naylor Road Development District and
6 the County Executive, the Chief Administrative Officer and the Financial Officer of the County
7 are hereby directed and authorized to deposit in such Tax Increment Fund all taxes received by
8 the County for any Tax Year commencing after the effective date of this Resolution equal to that
9 portion of the taxes payable to the County (but not including any taxes payable to the State of
10 Maryland or to any other party) representing the levy on the Tax Increment that would normally
11 be paid to the County. The County Executive, the Chief Administrative Officer and the
12 Financial Officer and other officers and employees of the County, to the extent applicable, are
13 hereby authorized to take all necessary steps in order to establish a separate fund to be held by
14 the County. Prior to the issuance of the Bonds, the Tax Increment Fund may be used by the
15 County for any of the purposes set forth in Section 12-209 of the Tax Increment Financing Act,
16 including payments to the County for any legal purpose.

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

24 SECTION 7. BE IT FURTHER RESOLVED, that the County hereby covenants and
25 pledges that if any Bonds issued under the Tax Increment Financing Act with respect to the
26 Development District are outstanding, the property taxes on real property within the
27 Development District shall be divided so that (i) that portion of the taxes which would be
28 produced by the rate at which taxes levied each year by the County upon the Original Taxable
29 Value shall be allocated to and when collected paid into the funds of the County in the same
30 manner as taxes by or for the County on all other property are paid and (ii) that portion of the
31 taxes representing the levy on the Tax Increment that would normally be paid to the County (but

1 not including any taxes payable to the State of Maryland or to any other party) shall be paid into
2 the Tax Increment Fund established hereunder to be applied in accordance with the provisions of
3 Section 12-209 of the Tax Increment Financing Act. The County acknowledges that neither the
4 rate at which taxes are levied on real property within the Development District nor the manner of
5 assessment of the value of real property within the Development District is to vary from the rate
6 or manner of assessment that otherwise would have applied if the Development District were not
7 designated and the Tax Increment Fund not created, except to the extent that a specific valuation
8 adjustment is mandated by the Tax Increment Financing Act for real property that qualifies for
9 farm or agricultural use.

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

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

Adopted this 5th day of November , 2013.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY: _____
Andrea C. Harrison
Chair

ATTEST:

Redis C. Floyd
Clerk of the Council

APPROVED:

DATE: _____ BY: _____
Rushern L. Baker, III
County Executive

EXHIBIT A

DESCRIPTION OF THE PARCEL

Tax Parcel ID Nos.:

Available as an Inclusion File in LIS

EXHIBIT B

PLAT

[See Attached]