



Prince George's County Council

Agenda Item Summary

Meeting Date: 11/2/2021

Effective Date: 1/3/2022

Reference No.: CB-062-2021

Chapter Number: 62

Draft No.: 1

Public Hearing Date: 11/02/2021

Proposer(s): County Executive

Sponsor(s): Hawkins, Davis, Turner, Harrison, Dernoga and Franklin

Item Title: AN ACT CONCERNING THE ISSUANCE AND SALE OF SPECIAL OBLIGATION BONDS for the purpose of providing that special obligation bonds may be issued from time to time under the provisions of this Act, Sections 12-201 through 12-213, inclusive, of the Economic Development Article of the Annotated Code of Maryland, as amended (the "Tax Increment Act"), Section 10-269 of the Prince George's County Code, as amended and Section 21-501 through Section 21-523 of the Local Government Article of the Annotated Code of Maryland, as amended (collectively, the "Special Taxing District Act") and CR-25-2004 of the County Council of Prince George's County, Maryland (the "Formation Resolution") in an amount not to exceed the aggregate principal amount of Fifty Million Dollars (\$50,000,000) in order for the County to refund the outstanding aggregate principal amount of Prince George's County, Maryland Special Obligation Bonds (National Harbor Project) Series 2004 (the "2004 Bonds"); making certain findings and determinations, among others, concerning the public benefit and purpose of such special obligation bonds; providing that such special obligation bonds authorized to be issued hereby shall be payable, first, from the amounts levied and deposited in the Tax Increment Fund (as defined in the Formation Resolution) including certain County hotel occupancy taxes and other tax revenues, secondly, to the extent the Tax Increment Fund does not contain monies in an amount sufficient for payment of debt service on such special obligation bonds and to the extent amounts are required for deposit in funds and accounts created within the indenture providing for the issuance of the special obligation bonds to replenish deficiencies therein and to pay the administrative expenses of the County, from the special tax to be levied and deposited in the Special Taxing District Fund (as defined in the Formation Resolution) and, lastly, to the extent amounts in the Tax Increment Fund and the Special Taxing District Fund are not sufficient to meet the obligations referenced above, from payments made, subject to appropriation, by the County pursuant to a funding agreement approved by the County under the provisions of Section 819 of the County Charter, (the "County Contract Payments") and that the special obligation bonds shall not constitute a general obligation debt of the County or a pledge of the County's full faith and credit or taxing power other than the taxes representing the levy on the Tax Increment, the Hotel Tax, the National Harbor Convention Center Excess Development District Taxes and the Special Tax (each as defined in the Formation Resolution); authorizing the County Executive of the County to specify, prescribe, determine, provide for and approve certain details,

forms, documents or procedures in connection with such special obligation bonds issued hereunder and any other matters necessary or desirable in connection with the authorization, issuance, sale and payment of such special obligation bonds; authorizing the County Executive to take certain actions, to execute documents and make certain commitments on behalf of the County in connection with the issuance, sale and delivery of such special obligation bonds; authorizing the execution and delivery of such special obligation bonds and such other documents as may be necessary and desirable to effectuate the refunding of the 2004 Bonds and the issuance, sale and delivery of such special obligation bonds; and generally providing for, and determining various matters in connection with, the issuance, sale, delivery and payment of such special obligation bonds.

Drafter: Ronald Halper, Debt Manager, Office of Finance

Resource Personnel: Stephen J. McGibbon, Director, Office of Finance

LEGISLATIVE HISTORY:

Date:	Acting Body:	Action:	Sent To:
09/14/2021	County Council	presented and referred	COW
<p>Action Text: This Council Bill was presented by the Chair by request of the County Executive and referred to the Committee of the Whole.</p>			
09/30/2021	COW	Favorably recommended	County Council
<p>Action Text: A motion was made by Member Davis, seconded by Vice Chair Taveras, that this Council Bill be Favorably recommended to the County Council. The motion carried by the following vote:</p>			
<p style="padding-left: 40px;">Aye: 8 Hawkins, Anderson-Walker, Davis, Dernoga, Franklin, Glaros, Taveras and Turner</p>			
<p style="padding-left: 40px;">Absent: 3 Harrison, Ivey and Streeter</p>			
10/05/2021	County Council	introduced	
<p>Action Text: This Council Bill was introduced by Council Members Hawkins, Davis, Turner, Harrison, Dernoga, and Franklin.</p>			
11/02/2021	County Council	public hearing held	
<p>Action Text: This Council Bill public hearing was held.</p>			
11/02/2021	County Council	enacted	
<p>Action Text: A motion was made by Council Member Harrison, seconded by Council Member Davis, that this Council Bill be enacted. The motion carried by the following vote:</p>			

Aye: 10 Ivey, Taveras, Turner, Hawkins, Anderson-Walker, Davis, Dernoga,
Franklin, Glaros and Harrison

Absent: 1 Streeter

11/17/2021

signed

Clerk of the Council

Action Text:

This Council Bill was signed

AFFECTED CODE SECTIONS:

10-269

BACKGROUND INFORMATION/FISCAL IMPACT:

The County will realize debt service savings by refinancing the Prince George's County, Maryland Special Obligation Bonds (National Harbor Project) Series 2004 under current favorable bond market conditions.

Document(s): B2021062, CB-062-2021 Transmittal Letter, CB-062-2021 Report