

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND
2014 Legislative Session

Resolution No. CR-94-2014

Proposed by The Chairman (by request – County Executive)

Introduced by Council Members Franklin, Davis, Harrison, Olson and Turner

Co-Sponsors _____

Date of Introduction October 7, 2014

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” (the “Development District”); providing for, and determining, various
11 matters in connection with the establishment of a development district, creating a tax increment
12 fund with respect to the Development District, and allocating certain property taxes with respect
13 to the Development District to be paid over to the tax increment fund as provided in the Tax
14 Increment Financing Act; making certain findings and determinations with respect to the tax
15 increment fund and the uses of such fund; providing that special obligation bonds may be issued
16 from time to time pursuant to an ordinance or ordinances enacted in accordance with the Tax
17 Increment Financing Act and secured by the tax increment fund; and generally relating to the
18 Suitland -Naylor Road 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

1 the Tax Increment (hereinafter defined) for the Development District (hereinafter defined) are
2 deposited; and

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

6 WHEREAS, the County will work with the partnership for sustainable communities
7 program coordinated by the U.S. Department of Transportation, U.S. Department of Housing and
8 Urban Development and U.S. Environmental Protection Agency (the "EPA") to target federal
9 funding toward the Development District, including land transfer(s) for Federally owned open
10 space, working with the EPA to design developments that preserve watershed and wetlands
11 while producing upscale developments which generate tax increment to pay the costs of public
12 projects, to increase community revitalization and the efficiency of public works investments,
13 and to safeguard rural landscapes; and

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

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

19 WHEREAS, the County expects to issue special obligation bonds in one or more series to
20 finance public infrastructure improvements as permitted under the Tax Increment Financing Act,
21 including, but not limited to, the financing of the costs of parking facilities, roads, streets, water
22 and sewer utilities and related infrastructure improvements, which public infrastructure
23 improvements will be utilized in connection with a mixed-use development which may include a
24 performing arts center with a theatre, a town center, retail, residential, office and other
25 commercial development; and

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

31 SECTION 1. NOW, THEREFORE, BE IT RESOLVED by the County Council of
32 Prince George's County, Maryland, that for the purposes of this Resolution, the terms defined in

1 the recitals shall have the meanings therein set forth and, in addition, the following terms shall
2 have the meanings set forth below:

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

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

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

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

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

19 (6) "Original Assessable Base" means the Assessable Base of January 1 of the year
20 preceding the effective date of Resolution No. CR-46-2013, which is January 1, 2012.

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

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

- 25 (a) The Adjusted Assessable Base, if an Adjusted Assessable Base applies; or
26 (b) In all other cases, the lesser of:
27 (i) The product of multiplying the Original Full Cash Value by the
28 Assessment Ratio applicable to that Tax Year; and
29 (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 public infrastructure improvements as permitted thereunder, including, but not limited to, the
13 financing of the costs of parking facilities, roads, streets, water and sewer utilities and related
14 infrastructure improvements, accomplishes the public purposes of the Tax Increment Financing
15 Act, and generally promotes the health, welfare and safety of the residents of the State of
16 Maryland and of the County.

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

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

1 ordinance with respect to such Bonds permits the County to reduce the area constituting the
2 Development District or the holders of the Bonds or a representative on their behalf consents to
3 any such reduction.

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

18 SECTION 6. BE IT FURTHER RESOLVED, that Bonds may be issued from time to
19 time pursuant to an ordinance or ordinances enacted in accordance with the Tax Increment
20 Financing Act for the purpose of providing funds to finance public infrastructure improvements
21 as permitted thereunder, including, but not limited to, the financing of the costs of parking
22 facilities, roads, streets, water and sewer utilities and related infrastructure improvements. Such
23 ordinance or ordinances shall specify, in general detail, the improvements to be financed through
24 the issuance of the Bonds and the nature and extent of any pledge of County revenues for the
25 payment of debt service on the Bonds, and shall otherwise conform to the applicable
26 requirements of the Tax Increment Financing Act and this Resolution.

27 SECTION 7. BE IT FURTHER RESOLVED, that the County hereby covenants and
28 pledges that if any Bonds issued under the Tax Increment Financing Act with respect to the
29 Development District are outstanding, the property taxes on real property within the
30 Development District shall be divided so that (i) that portion of the taxes which would be
31 produced by the rate at which taxes levied each year by the County upon the Original Taxable

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

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

23 SECTION 9. BE IT FURTHER RESOLVED, that any inconsistent parts of Resolution
24 No. CR-46-2013 and any other prior, inconsistent resolutions, or any parts thereof are hereby
25 amended.

26 SECTION 10. BE IT FURTHER RESOLVED, that this Resolution is administrative in
27 nature and shall take effect upon approval by the County Executive.
28

Adopted this 12th day of November, 2014.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY: _____
Mel Franklin
Chairman

ATTEST:

Redis C. Floyd
Clerk of the Council

Note: Exhibits A & B are available in LIS as Inclusion Files

EXHIBIT A
DESCRIPTION OF THE PARCEL
[See Attached]

EXHIBIT B

PLAT

[See Attached]