

Prince George's County Council Agenda Item Summary

Meeting Date: 10/19/2010
Reference No.: CR-098-2010
Draft No.: 3
Proposer(s): Dean
Sponsor(s): Dean, Exum
Item Title: A Resolution revising CR-89-2006 and the County's policy for the use of Tax Increment Financing and other financial tools and incentives to fund economic and community development projects and initiatives in Prince George's County.

Drafter: Colette R. Gresham, Legislative Officer
Resource Personnel: William M. Hunt, Senior Legislative Auditor

LEGISLATIVE HISTORY:

Date Presented:		Executive Action:
Committee Referral:	9/28/2010 - PSFM	Effective Date:
Committee Action:	10/12/2010 - FAV(A)	
Date Introduced:	9/28/2010	
Public Hearing:		
Council Action (1)	10/19/2010 - ADOPTED	
Council Votes:	MB:A, WC:A, SHD:A, TD:A, CE:A, AH:-, TK:A, EO:A, IT:-	
Pass/Fail:	P	
Remarks:		

AFFECTED CODE SECTIONS:

COMMITTEE REPORTS:

Public Safety and Fiscal Management

Date 10/12/2010

COMMITTEE VOTE: FAVORABLE AS AMENDED 5-0 (In Favor: Council Members Exum, Harrison, Campos, Dean and Turner)

This Resolution will amend the County's policy for the use of Tax Increment Financing by revising certain proposed financial tools and initiatives used to fund economics and community development projects in the County.

The proposed amendments will clarify the intention of the eleven (11) criteria which apply to financial incentives funded by the County tax payers, require that projects and initiatives must demonstrate appropriateness and necessity for the TIF subsidy, provide documentation to justify MBE participation prior to the issuance of TIF bonds, apply best efforts standards to accomplish criteria #10 and #11, obtain approval of the MBE Plan by the Compliance Manager and clarify that the provision of this resolution will apply to all TIF bonds issued following the adoption of CR-98-2010.

The following amendments were approved by the Committee:

- 1) On page 2, line 11, after “incentives” insert the following “funded by County taxes”
- 2) On page 2, line 13, before “Proposed” insert the following “ In order to demonstrate appropriateness and necessity.
- 3) On page 2, line 25, after “Provide” insert the following “documentation, prior to any issuance of TIF bonds, showing not less than five percent (5%)” and delete “for”
- 4) On page 3, line 3, before “Afford” insert the following “Use best efforts to”
- 5) On page 3, line 4, before “Offer” insert the following “Use best efforts to”
- 6) On page 3, line 12, after “with” insert the following “and that the MBE Plan has been approved by the Compliance Manager in conformance with the MBE Plan Guidelines promulgated by the Compliance Manager”
- 7) On page 3, after line 16, insert the following “BE IT FURTHER RESOLVED that this resolution shall apply to TIF bonds issued following the adoption of this resolution.”

There should not be any negative fiscal impact on the County with the adoption of CR-98-2010.

BACKGROUND INFORMATION/FISCAL IMPACT:

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

The County Council adopted CR-89-2006 which established a policy for the County to use specific criteria in determining the appropriateness and necessity of applying TIF and other financial incentives to help fund economic and community development projects and initiatives throughout the County. This resolution revises the criteria for proposed projects and initiatives.

10/19/2010 - CR-98-2010 DR-2 was amended on the floor as follows:

On page 2, line 28, after "for", delete "MBE equity participation" and insert the following "of the value of the TIF issued to the developer through either (i) LMBE equity ownership in the entity receiving TIF funds or 9ii) LMBE ownership or participation equal to five (5%) of the TIF note issued"

CR-98-2010 (DR-3) was adopted.

CODE INDEX TOPICS:

INCLUSION FILES:
