

**PRINCE GEORGE'S COUNTY COUNCIL
AGENDA ITEM SUMMARY**

Meeting Date: 10/21/97

Reference No.: CR-58-1997

Proposer: County Executive

Draft No.: 1

Sponsors: Bailey and Wilson

Item Title: To authorize the County to issue economic development revenue bonds to refund a bond originally issued for the Mona Branch Avenue Limited Partnership Facility

Drafter: Kathleen Canning
Office of Law

Resource Personnel: Gregory K. Wells
Bond Counsel

LEGISLATIVE HISTORY:

Date Presented: ___/___/___

Executive Action: 11/10/97 S

Committee Referral: 10/14/97 PSFM

Effective Date: 11/10/97

Committee Action: 10/16/97 FAV

Date Introduced: 10/14/97

Pub. Hearing Date: ___/___/___ __:___ __

Council Action: 10/21/97 ADOPTED

Council Votes: DB:A, SD:A, JE:A, IG:A, TH:A, WM:A, RVR:A, AS:A, MW:A

Pass/Fail: P

Remarks: _____

PUBLIC SAFETY & FISCAL MANAGEMENT COMMITTEE REPORT Date: 10/16/97

Committee Vote: Favorable, 5-0, (In favor: Council Members Wilson, Estepp, Gourdine, Maloney and Scott.)

This Resolution will authorize the County to issue refunding economic development revenue bonds in a principal amount not to exceed \$3,850,000.

In 1985, pursuant to CR-123-1985, the County issued an economic development revenue bond in the amount of \$5,900,000. The proceeds of these bonds were used by Mona Branch Avenue Limited Partnership for financing and refinancing the cost of acquisition of certain commercial, service and professional office building facilities in Clinton, Maryland. The County has been requested to issue

refunding economic development revenue bonds to refund the bond originally issued by the County for Mona Branch Avenue Limited Partnership.

The issue of the Series 1997 Bonds will not constitute or give rise to any liability to the County.

The Borrower will pay all expenses of preparing, printing and selling the Series 1997 Bonds including fees and expenses incurred by the County in connection with the authorization, issuance, sale and delivery of these Bonds.

If the financing transaction contemplated by this Resolution does not occur on or before March 31, 1998, the County's authorization is terminated unless extended by a Resolution of the Council and approved by the County Executive.

There should not be any negative fiscal impact on the County as a result of adopting CR-58-1997.

BACKGROUND INFORMATION/FISCAL IMPACT

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

In 1985, pursuant to CR-123-1985, the County issued an economic development revenue bond authorized pursuant to the Maryland Economic Development Revenue Bond Act in the amount of \$5,900,000. The proceeds of the Bond were used by Mona Branch Avenue Limited Partnership for financing and refinancing the cost of acquisition of certain commercial, service and professional office building facilities in Clinton, Maryland. The County has been requested to issue refunding economic development revenue bonds to enable the Mona Branch Avenue Limited Partnership to refinance and obtain more favorable interest rates.

Article 41, Section 14-104(f) of the Maryland Annotated Code provides that the resolution adopted by the legislative body is administrative in nature and is not subject to procedures required for legislative acts. Bonds issued pursuant to the Maryland Economic Development Revenue Bond Act are limited obligations of the County and are not issued upon the County's faith and credit. This legislation will authorize the County to issue County Economic Development Revenue Bonds to refund the bond originally issued by the County for the Mona Branch Avenue Limited Partnership Facility.

CODE INDEX TOPICS: