

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND
2024 Legislative Session

Resolution No. CR-062-2024

Proposed by Council Member Watson

Introduced by Council Members Watson, Ivey, Hawkins and Fisher

Co-Sponsors _____

Date of Introduction July 9, 2024

RESOLUTION

1 A RESOLUTION concerning

2 Mill Branch Crossing Development District

3 For the purpose of designating a contiguous area within Prince George's County, Maryland
 4 (the "County") as a "development district" as that term is used in Sections 12-201 through
 5 12-213, 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 Bowie,
 7 Maryland and to be known as the "Mill Branch Crossing Development District"; providing for,
 8 and determining, various matters in connection with the establishment of a development district;
 9 creating a tax increment fund with respect to the Development District; allocating certain
 10 property taxes with respect to the development district to be paid over to the tax increment
 11 fund as provided in the Tax Increment Financing Act; making certain findings and
 12 determinations with respect to the tax increment fund and the uses of such fund; providing that
 13 special obligation bonds may be issued from time to time pursuant to an ordinance or ordinances
 14 enacted in accordance with the Tax Increment Financing Act and secured by the tax increment
 15 fund; and generally relating to the Development District.

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

1 WHEREAS, the owners and developers of the real property in the proposed Mill Branch
 2 Crossing Development District plan to construct residential and commercial uses, including
 3 retail, restaurant, grocery and hotel improvements; and

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

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

9 WHEREAS, the City of Bowie, Maryland will be required to consent to the designation of
 10 property within the Development District as a “development district”; and

11 WHEREAS, the County expects to issue special obligation bonds in one or more series to
 12 finance roads, streets, water and sewer utilities and related infrastructure improvements,
 13 including but not limited to, construction of offsite road improvements to address the
 14 development traffic and traffic resulting from the proposed Green Branch Regional Park,
 15 wetlands restoration and water and sewer improvements to serve the development and the Green
 16 Branch Regional Park; and

17 WHEREAS, if the County issues its special obligation bonds upon enactment of an
 18 ordinance or ordinances, such ordinance or ordinances will provide that the special obligation
 19 bonds shall be secured by a pledge of the taxes representing the County’s levy on the Tax
 20 Increment (the “County Taxes”) and any other revenues pledged by the County as more
 21 specifically provided for therein.

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

26 (1) “Adjusted Assessable Base” means the fair market value of real property that
 27 qualifies for a farm or agricultural use under Section 8-209 of the Tax-Property Article of the
 28 Annotated of Maryland, without regard to the agricultural use assessment for the property as of
 29 January 1 of that year preceding the effective date of the resolution creating the Development
 30 District under Section 12-203 of the Tax Increment Financing Act.

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

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

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

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

(6) “Original Assessable Base” means the Assessable Base as of January 1 of the year preceding the effective date of this Resolution, which is January 1, 2023.

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

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

(a) The Adjustable Assessable Base, if an Adjusted Assessable Base applies; or

(b) In all other cases, the lesser of:

(i) The product of multiplying the Original Full Cash Value by the Assessment Ratio applicable to that Tax Year; and

(ii) The Original Assessable Base.

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

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

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

SECTION 2. BE IT FURTHER RESOLVED, that acting pursuant to the Tax Increment Financing Act, it is hereby found and determined that the establishment of the Development

District, the creation of the Tax Increment Fund and the present intent to issue Bonds pursuant to the Tax Increment Financing Act, all for the purpose of providing funds to finance the costs of certain roads, streets, water and sewer utilities and related infrastructure improvements accomplishes the public purposes of the Tax Increment Financing Act, and generally promotes the health, welfare and safety of the residents of the State of Maryland and of the County.

SECTION 3. BE IT FURTHER RESOLVED, that a contiguous area of the County consisting of the property set forth on Exhibit A attached hereto is hereby designated as a “Development District” (to be known as the “Mill Branch Crossing Development District”) pursuant to Section 12-203 of the Tax Increment Financing Act. The Development District shall consist of the property identified in Exhibit A of this Resolution and all adjoining roads, highways, alleys, rights of way and other similar property in order to form a contiguous area as shown on the map attached hereto as Exhibit B and submitted to the County Council together with this Resolution. The boundaries of the Development District may be modified prior to and after the issuance of the Bonds as provided in Section 4 of this Resolution.

SECTION 4. BE IT FURTHER RESOLVED, that prior to the issuance of the Bonds, the County Executive may, by executive order, reduce or enlarge the boundaries of the Development District by not more than five (5) acres. After the issuance of the Bonds, the County Executive, by executive order, may enlarge the boundaries of the Development District but may not reduce the boundaries of the Development District as long as there are any Bonds outstanding pursuant to the Tax Increment Financing Act and this Resolution, unless the ordinance with respect to such Bonds permits the County to reduce the area constituting the Development District or the holders of the Bonds or a representative on their behalf consents to any such reduction.

SECTION 5. BE IT FURTHER RESOLVED, that there is hereby established a special fund to be designated the “Mill Branch Crossing Development District Tax Increment Fund” (the “Tax Increment Fund”) with respect to the Mill Branch Crossing Development District and the County Executive, Chief Administrative Officer and the Financial Officer of the County are hereby directed and authorized to deposit in such Tax Increment Fund all taxes received by the County for any Tax Year commencing after the effective date of this Resolution equal to that portion of the taxes payable to the County (but not including any taxes payable to the State of Maryland or any other party) representing the levy on the Tax Increment that would normally be paid to the County. The County Executive, the Chief Administrative Officer and the Financial

1 Officer and other officers and employees of the County, to the extent applicable, are hereby
2 authorized to take all necessary steps in order to establish a separate fund to be held by the
3 County. Prior to the issuance of the Bonds the Tax Increment Fund may be used by the County
4 for any of the purposes set forth in Section 12-209 of the Tax Increment Financing Act,
5 including payments to the County for any legal purpose.

6 SECTION 6. BE IT FURTHER RESOLVED, that Bonds may be issued from time to time
7 pursuant to an ordinance or ordinances enacted in accordance with the Tax Increment Financing
8 Act for the purpose of providing funds for the financing of certain roads, streets, water and sewer
9 utilities and related infrastructure improvements. Such ordinance shall specify, in general detail,
10 the improvements to be financed through the issuance of the Bonds and the nature and extent of
11 any pledge of County revenues for the payment of debt service on the Bonds, and shall otherwise
12 conform to the requirements of the Tax Increment Financing Act and this Resolution.

13 SECTION 7. BE IT FURTHER RESOLVED, that the County hereby covenants and
14 pledges that if any Bonds issued under the Tax Increment Financing Act with respect to the
15 Development District are outstanding, the property taxes on real property within the
16 Development District shall be divided so that (i) the portion of the taxes which would be
17 produced by the rate at which taxes levied each year by the County upon the Original Taxable
18 Value shall be allocated to and when collected paid into the funds of the County in the same
19 manner as taxes by or for the County on all other property are paid; and (ii) the portion of the
20 taxes representing the levy on the Tax Increment that would normally be paid to the County (but
21 not including any taxes payable to the State of Maryland or any other party) shall be paid into the
22 Tax Increment Fund established hereunder to be applied in accordance with the provisions of
23 Section 12-209 of the Tax Increment Financing Act. The County acknowledges that neither the
24 rate at which taxes are levied on real property within the Development District nor the manner of
25 assessment of the value of real property within the Development District is to vary from the rate
26 or manner of assessment that otherwise would have applied if the Development District were not
27 designated and the Tax Increment Fund not created, except to the extent that a specific valuation
28 adjustment is mandated by the Tax Increment Financing Act for real property that qualifies for
29 farm or agricultural use.

30 SECTION 8. BE IT FURTHER RESOLVED, that the provisions of this Resolution are
31 severable, and if any provision, sentence, clause, section or part hereof is held or determined to

1 be illegal, invalid or unconstitutional or inapplicable to any person or circumstances, such
2 illegality, invalidity or unconstitutionality or inapplicability shall not affect or impair any of the
3 remaining provisions, sentences, clauses, sections or parts of this Resolution or their application
4 to other persons or circumstances. It is hereby declared to be the legislative intent that this
5 Resolution would have been passed if such illegal, invalid, unconstitutional or inapplicable
6 provision, sentence, clause, section or part had not been included herein, and as if the person or
7 circumstances to which this Resolution or any part hereof are inapplicable had been specifically
8 exempted here from.

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

Adopted this 19th day of November, 2024.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY: Jolene Ivey
Jolene Ivey
Chair

ATTEST:

Donna J. Brown
Donna J. Brown
Clerk of the Council