



Prince George's County Council

Agenda Item Summary

Meeting Date: 11/14/2017

Effective Date: 1/22/2018

Reference No.: CB-109-2017

Chapter Number: 89

Draft No.: 1

Public Hearing Date: 11/14/2017 @ 10:00 AM

Proposer(s): County Executive

Sponsor(s): Davis, Glaros, Franklin, Harrison, Patterson, Taveras and Turner

Item Title: AN ACT CONCERNING THE ISSUANCE AND SALE OF SPECIAL OBLIGATION BONDS FOR THE KINGDOM SQUARE DEVELOPMENT DISTRICT AND KINGDOM SQUARE SPECIAL TAXING DISTRICT for the purpose of amending and restating in its entirety CB-98-2010 of the County Council of Prince George's County, Maryland; amending and ratifying CR-76-2010 of the County Council of Prince George's County, Maryland; providing that special obligation bonds may be issued from time to time under the provisions of this Act, Sections 12-201 through 12-213 of the Economic Development Article of the Annotated Code of Maryland, as amended (the "Tax Increment Financing Act"), Section 10-269 of the Prince George's County Code, as amended, Sections 21-501 through 21-518 and Section 21-523 of the Local Government Article of the Annotated Code of Maryland, as amended (collectively with Section 10-269 of the Prince George's County Code, the "Special Taxing District Act," and together with the Tax Increment Financing Act, the "Acts"), and CR-76-2010 of the County Council of Prince George's County, Maryland as the same is being amended by the terms hereof, in an amount not to exceed the aggregate principal amount of Sixteen Million One Hundred Thousand Dollars (\$16,100,000), in order for the County to finance or reimburse, in accordance with the Acts, costs related to the construction and installation of certain of the public infrastructure improvements as more particularly described herein; making certain findings and determinations, among others, concerning the public benefit and purpose of such special obligation bonds, including that prior to the issuance of such bonds the criteria set forth in CR-38-2011, including but not limited to the "But-For Test," the "Trigger Mechanism/Look Back Provision," LMBE participation and the impact of the County credit/bond rating, have been satisfied; 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 identified herein) and, 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 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 (as defined in the Formation Resolution), the Hotel Taxes (as defined in the Formation Resolution) and the Special Taxes (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 financing of the infrastructure improvements 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: Bond Counsel
Sean Dixon, Office of Law

Resource Personnel: Thomas Himler, Office of the County Executive

LEGISLATIVE HISTORY:

Date:	Acting Body:	Action:	Sent To:
09/26/2017	County Council	presented and referred	PSFM
	Action Text: This Council Bill was presented by the Chairman, by request of the County Executive, and referred to the Public Safety and Fiscal Management Committee		
10/05/2017	PSFM	Favorably recommended	County Council
	Action Text: A motion was made by Council Member Harrison, seconded by Vice Chair Taveras, that this Council Bill be Favorably recommended to the County Council. The motion carried by the following vote: Aye: 5 Glaros, Taveras, Harrison, Lehman and Turner		
10/17/2017	County Council	introduced	
	Action Text: This Council Bill was introduced by Council Members Davis, Glaros, Franklin, Harrison, Patterson, Taveras, and Turner		
11/14/2017	County Council	public hearing held	
	Action Text: The public hearing was held for this Council Bill.		

11/14/2017 County Council enacted

Action Text:

A motion was made by Vice Chair Glaros, seconded by Council Member Harrison, that this Council Bill be enacted. The motion carried by the following vote:

Aye: 7 Davis, Glaros, Franklin, Harrison, Taveras, Toles and Turner

Absent: 2 Lehman and Patterson

AFFECTED CODE SECTIONS:

BACKGROUND INFORMATION/FISCAL IMPACT:

This bill authorizes the issuance of up to \$16,100,000 in special obligation bonds for the Kingdom Square Development District and Kingdom Square Special Taxing District. These bonds will fund various public infrastructure costs that are necessary to assist the more than \$200 million project in moving forward. This major redevelopment project, along a major transportation corridor Maryland Route 214, will contain a new health and human services administrative building, new market-rate multi-family units, retail, and hotel opportunities. The project will serve as a catalyst for future development along the Central Avenue corridor.

Document(s): B2017109, CB-109-2017 Exhibit B, CB-109-2017 AIS, CB-109-2017 Report