



# Prince George's County Council

## Agenda Item Summary

**Meeting Date:** 10/16/2018

**Effective Date:** 11/1/2018

**Reference No.:** CR-065-2018

**Chapter Number:**

**Draft No.:** 1

**Public Hearing Date:**

**Proposer(s):** County Executive

**Sponsor(s):** Davis, Franklin, Taveras and Patterson

**Item Title:** A RESOLUTION CONCERNING ECONOMIC DEVELOPMENT REVENUE BONDS for the purpose of issuing, pursuant to and in accordance with the Maryland Economic Development Revenue Bond Act, economic development revenue bonds in an aggregate principal amount not to exceed Seventeen Million Dollars (\$17,000,000), and to loan the proceeds from the sale of such bonds to (i) Chesapeake Lighthouse Foundation, Inc., a not-for-profit corporation organized under the laws of the State of Maryland (the "Foundation"), and (ii) Chesapeake Education Services, L.L.C., a limited liability company organized under the laws of the State of Maryland ("CES" and, together with the Foundation, the "Facility Applicant"), to be used for the purpose of financing or refinancing the costs of certain facilities, within the meaning of the Act (as defined herein), located in Prince George's County, Maryland (the "County"), to be used by the Facility Applicant in connection with its tax-exempt purposes of operating not-for-profit charter schools in accordance with and pursuant to the laws of the State of Maryland; authorizing the County Executive to specify, prescribe, determine, provide for, approve, execute and deliver any and all matters, details, forms, documents or procedures necessary or appropriate to effectuate the authorization, sale, security, issuance, delivery and payment of and for such bonds and the lending of the proceeds thereof; reserving certain rights in the County; providing for the effective date of this Resolution; providing for the termination of this Resolution; and generally providing for and determining various matters in connection with such bonds and the lending of the proceeds thereof.

**Drafter:** Ronald Halper, Office of Finance

**Resource Personnel:** Stephen J. McGibbon, Office of Finance

### LEGISLATIVE HISTORY:

<b>Date:</b>	<b>Acting Body:</b>	<b>Action:</b>	<b>Sent To:</b>
09/25/2018	County Council	introduced and referred	PSFM

**Action Text:**

This Resolution was introduced by Council Members Davis, Taveras, Franklin and Patterson and referred to the Public Safety and Fiscal Management Committee

10/11/2018 PSFM Favorably recommended County Council

**Action Text:**

A motion was made by Council Member Patterson, seconded by Council Member Lehman, that this Resolution be Favorably recommended to the County Council. The motion carried by the following vote:

Aye: 5 Davis, Taveras, Turner, Lehman and Patterson

10/16/2018 County Council adopted

**Action Text:**

A motion was made by Council Member Davis, seconded by Vice Chair Turner, that this Resolution be adopted. The motion carried by the following vote:

Aye: 8 Glaros, Davis, Franklin, Lehman, Patterson, Taveras, Toles and Turner

Absent: 1 Harrison

11/01/2018 County Executive signed

**Action Text:**

This Resolution was signed

**AFFECTED CODE SECTIONS:****BACKGROUND INFORMATION/FISCAL IMPACT:**

This legislation provides the authority to issue and sell up to \$17,000,000 in Economic Development Revenue bonds on behalf of the Chesapeake Lighthouse Foundation, Inc., a not-for-profit corporation organized under the laws of the State of Maryland, and Chesapeake Education Services, L.L.C., a limited liability company organized under the laws of the State of Maryland (collectively the "Facility Applicant"). The bonds are being issued under the Maryland Economic Development Revenue Bond Act, Sections 12-101 through 12-118, inclusive.

The fiscal impact on the County for any bonds will be neutral. Debt service is the sole responsibility of the Facility Applicant. Bond proceeds will be utilized by the Facility Applicant to refinance existing debt, and to fund capital improvements, a debt service reserve fund and costs of issuance. The Facility Applicant currently operates four charter schools in Prince George's County and one in Anne Arundel County.

**Document(s):** R2018065, CR-65-2018 AIS, CR-65-2018 Report