

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

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**Meeting Date:** 5/6/2003**Reference No.:** CB-17-2003**Proposer:** County Executive**Draft No.:** 1**Sponsors:** Shapiro, Harrington

**Item Title:** An Act to authorize the County to lease certain property to the County's Industrial Development Authority in connection with the issuance and sale by the Authority of certain refunding revenue bonds and revenue bonds

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**Drafter:** Lindsey A. Rader  
Bond Counsel**Resource** Bond Counsel  
**Personnel:** Stephanie P. Anderson, Law

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**LEGISLATIVE HISTORY:****Date Presented:** 3/25/2003 **Executive Action:** 5/6/2003 S**Committee Referral:** 3/25/2003 C.O.W. **Effective Date:** 6/23/03**Committee Action:** 4/1/2003 FAV**Date Introduced:** 4/8/2003**Public Hearing:** 4/29/2003 10:00 A.M.**Council Action:** 5/6/2003 ENACTED**Council Votes:** PS:A, MB:A, SHD:A, TD:A, CE:A, DCH:A; TH:A, TK:A, DP:A**Pass/Fail:** P**Remarks:** \_\_\_\_\_

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**COMMITTEE OF THE WHOLE REPORT:**

Date: 4/1/03

Favorable, 6-0, (In Favor: Council Members Shapiro, Bland, Dean, Exum, Hendershot and Knotts.)

This bill will authorize the County to lease to the Industrial Development Authority (IDA) of Prince George's County the land on which the County's Justice Center in Upper Marlboro, Maryland, is located and the necessary expansion of the Marbury Wing in accordance with Section 2-111.01 of the County. The lease will be in connection with the issuance and sale by the IDA of certain refunding revenue bonds (not to exceed \$35,000,000) and revenue bonds (not to exceed \$30,000), which are subject to Council approval.

The IDA was established pursuant to the Maryland Economic Development Revenue Bond Act and operates on a non-profit basis. It issues tax exempt bonds to finance public building projects

approved by the County Executive and the County Council. The borrowing of these bonds is secured by leases with participating public entities.

Pursuant to a Sublease Agreement dated May 28, 1992, the County subleased to the State a certain portion of the courthouse for use by various agencies of the State. The State agreed to pay basic rent in an amount sufficient to pay a portion of the principal of, premium, if any, and interest on the 1989 Bonds when due and to pay the operation and maintenance expenses allocable to the portion of the premises subleased to the State. The State's obligation to make any such payments is subject to annual appropriation.

The State has agreed to pay increased rent under the original sublease to reflect the fair market rents and to support the renovation, restoration and expansion of the courthouse.

Judge William Missouri, Administrative Judge of the Circuit Court and Judge Sheila Tillerson-Adams appeared before the Committee and discussed their concerns and support for the proposed construction.

Judge Missouri said, "The completion of the County Justice Center Project is very critical to the Courts' ability to meet the growing needs of the County's citizens. Upon completion of the project it will enable the Court as well as the dedicated employee who work in the courthouse to service the citizens in a dignified environment conducive to the services being provided."

There should not be any negative fiscal impact on the County as a result of enacting CB-17-2003.

## **BACKGROUND INFORMATION/FISCAL IMPACT**

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

This bill will authorize the County Executive to provide for the leasing of the land where the Prince George's County Justice Center in Upper Marlboro is located to the Industrial Development Authority of Prince George's County, Maryland. The lease between the County and the Authority is in connection with the issuance and sale by the Authority of certain refunding revenue bonds and revenue bonds.

## **CODE INDEX TOPICS:**