

**COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND**  
**2006 Legislative Session**

Resolution No. CR-65-2006  
Proposed by Council Member Dernoga  
Introduced by Council Members Dernoga, Hendershot and Peters  
Co-Sponsors \_\_\_\_\_  
Date of Introduction July 18, 2006

**RESOLUTION**

1 A RESOLUTION concerning;

2 Greenbelt Station Special Taxing District and Greenbelt Station Development District  
3 for the creation of Retail, Office, Commercial and Residential Area.

4 For the purpose of designating a contiguous area within Prince George's County, Maryland (the  
5 "County") as a "development district" as that term is used in Sections 14-201 through 14-214,  
6 inclusive of Article 41 of the Annotated Code of Maryland, as amended (2003 Replacement  
7 Volume, 2005 Supplement) (the "Tax Increment Act"), as well as for the purpose of designating  
8 a contiguous area within the County that would be coincident with the development district as a  
9 "special taxing district" as that term is used in Section 10-269 of the Prince George's County  
10 Code, as amended (2003 Edition, 2004 Supplement) and as that term is used in Section 9-1301 of  
11 Article 24 of the Annotated Code of Maryland, as amended (2005 Replacement Volume)  
12 (collectively, the "Special Taxing District Act") such development district and special taxing  
13 district to be located in the City of Greenbelt, Maryland, adjacent to the Capital Beltway as  
14 shown on CSP 01008 and to be known as the "Greenbelt Station Special Taxing District" and the  
15 "Greenbelt Station Development District"; providing for, and determining, various matters in  
16 connection with the establishment of a development district and a special taxing district, creating  
17 a tax increment fund with respect to the development district and a special fund with respect to  
18 the special taxing district, allocating certain property taxes with respect to the development  
19 district to be paid over to the tax increment fund as provided in the Tax Increment Act; providing  
20 for the levy of a special tax and the allocation of the special tax with respect to the special taxing  
21 district to be paid over to the special fund as provided in the Special Taxing District Act; making  
22 certain findings and determinations with respect to the tax increment fund and the special fund

1 and the respective uses of such funds; providing that special obligation bonds may be issued  
 2 from time to time pursuant to an ordinance or ordinances enacted in accordance with the Tax  
 3 Increment Act and the Special Taxing District Act and secured by the tax increment fund and the  
 4 special fund; and generally relating to the Greenbelt Station Special Taxing District.

5 WHEREAS, the Tax Increment Financing Act, Sections 14-201 through 14-214,  
 6 inclusive, of Article 41 of the Annotated Code of Maryland, as amended (2003 Replacement  
 7 Volume, 2005 Supplement) (the "Tax Increment Act") constitutes those provisions of Maryland  
 8 law authorizing Prince George's County, Maryland (the "County") to establish a "development  
 9 district" (as that term is used in the Tax Increment Act) and a tax increment fund into which the  
 10 taxes representing the levy on the Tax Increment (hereinafter defined), are deposited; and

11 WHEREAS, Section 10-269 of the Prince George's County Code, as amended (2003  
 12 Edition, 2004 Supplement) and Section 9-1301 of Article 24 of the Annotated Code of Maryland,  
 13 as amended (2005 Replacement Volume) constitute those provisions of Maryland law  
 14 authorizing the County to establish a "special taxing district" (as that term is used under the  
 15 Special Taxing District Act) and a special fund into which the Special Tax (hereinafter defined)  
 16 for the Special Taxing District (hereinafter defined) is deposited; and

17 WHEREAS, the owners of at least two-thirds of the assessed valuation of the real  
 18 property located within the proposed Greenbelt Station Special Taxing District and at least  
 19 two-thirds of the owners of the real property located within the proposed Greenbelt Station  
 20 Special Taxing District have petitioned the County to designate and create the Greenbelt Station  
 21 Special Taxing District within a certain unincorporated area of the County as more specifically  
 22 provided within such petition; and

23 WHEREAS, the owners of the real property in the proposed Greenbelt Station Special  
 24 Taxing District plan to construct a mixed use development including retail, commercial,  
 25 residential and office facilities; and

26 WHEREAS, such development will further economic development within the County  
 27 and thus meet the public purposes contemplated by the Tax Increment Act and the Special  
 28 Taxing District Act; and

29 WHEREAS, there is proposed, to be levied and imposed, a Special Tax upon all real and  
 30 personal property within the proposed Greenbelt Station Special Taxing District unless exempted

1 by law or as provided for herein, for the purposes, to the extent and in the manner herein  
2 provided; and

3 WHEREAS, the City (as hereinafter defined) adopted Resolution No. 985 effective July 11,  
4 2005 approving and consenting to the creation of the Special Taxing District and the  
5 Development District as required by the Tax Increment Act and the Special Taxing District Act;  
6 and

7 WHEREAS, the Tax Increment Act and the Special Taxing District Act authorize the  
8 County to issue special obligation bonds from time to time for the purpose of providing funds to  
9 be used to fulfill one or more of the purposes of said Acts; and

10 WHEREAS, the County expects to issue special obligation bonds in one or more series to  
11 finance public infrastructure improvements; and

12 WHEREAS, if the County issues its special obligation bonds upon enactment of an  
13 ordinance or ordinances such ordinance or ordinances will provide that the special obligation  
14 bonds shall be secured by a pledge of (i) the taxes representing the levy on the Tax Increment,  
15 and (ii) the Special Tax (collectively, the "County Taxes") as more specifically provided for  
16 herein; and

17 WHEREAS, in order for the special taxes to be levied in a reasonable manner which results  
18 in fairly allocating the costs of the public improvements to the property being taxed, two  
19 improvements areas have been identified within the Special Taxing District identified as the  
20 "North Core Improvement Area" and the "South Core Improvement Area" (as hereinafter  
21 defined), with separate improvements to be provided for each improvement area (the "North  
22 Core Improvements" and the "South Core Improvements," as hereinafter defined), and Special  
23 Taxes levied in each improvement area based on the improvements provided for the benefit of  
24 each improvement area; and

25 WHEREAS, the tract of land being approximately 86.4576 acres in size, located in the  
26 County and included within the Greenbelt Station Development District and the Greenbelt  
27 Station Special Taxing District and owned by Greenbelt Metropark L.L.C. which has been  
28 annexed by the City on January 18, 2006 and the WMATA property as identified on Exhibit A.

29 SECTION I. NOW, THEREFORE, BE IT RESOLVED by the County Council of Prince  
30 George's County, Maryland, that for the purposes of this Resolution, the terms defined in the

1 recitals shall have the meanings therein set forth and, in addition, the following terms shall have  
2 the meanings set forth below:

3 (1) "Adjusted Assessable Base" means, for real property that qualifies for a farm  
4 or agricultural use under Section 8-209 of the Tax-Property Article, the fair market value of the  
5 property without regard to its agricultural use assessment as of January 1 of that year preceding  
6 the effective date of this Resolution creating the Development District under Section 14-206 of  
7 the Tax Increment Act.

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

10 (3) "Assessment Ratio" means any real property tax assessment ratio, however  
11 designated or calculated, which is used or applied under applicable general law in determining  
12 the Assessable Base including the assessment percentage as provided under Section 8-103(c) of  
13 the Tax-Property Article.

14 (4) "Bonds" includes any revenue bonds or bond, note or notes or other similar  
15 instruments or instrument issued by the County pursuant to and in accordance with this  
16 Resolution and under the Tax Increment Act and/or under the Special Taxing District Act.

17 (5) "City" means the City of Greenbelt.

18 (6) "Development District" means the contiguous area in the County designated  
19 in Section 3 of this Resolution as a development district under the Tax Increment Act.

20 (7) "MOU" means the Memorandum of Understanding which shall include a  
21 repayment agreement, between the Developers and the County Executive and approved by the  
22 County Council reconfirming and determining that (1) the Project was not feasible unless the  
23 total amount of County Contribution agreed is a financing source, (2) a total amount of County  
24 Contribution was required to preserve an internal rate of return to the Developers for the North  
25 Core Improvement Area which include any joint venture equity source or other equity investor of  
26 the Developers and any mezzanine lender to the Developers or to the North Core Improvement  
27 Area in an amount not less than 15% and not greater than 25% which is determined to be  
28 reasonable by the County Executive based on industry standards for comparable projects, with  
29 such input from the County Council, its staff and financial advisors of the County Council, as  
30 determined, such internal rate of return determination to be based on those projected cash flows,  
31 provided by Developers to their construction lenders and equity participants, represented to be

accurate by Developers based upon the best information available to developers at the time of issuance of the Bonds calculated in the manner set forth in Appendix A in the Bill, and with respect to the South Core Improvement Area to be calculated on a cash on cash return between 10% to 15% ("Base") then such excess Base shall be shared with the County to redeem the Tax Increment Bonds in an amount subject to negotiation but the County's share shall not be less than 33 1/3% of such excess Base, which shall be approved by the County Council, and (3) which provides a mechanism for the County to be paid such revenues but in no event shall the County's share be less than 33 1/3% of the excess development revenue from the North Core Improvement Area the excess of Developers' internal rate of return calculated in the manner set forth in Appendix A in the Bill ("Developers' IRR" which means the internal rate of return that makes net present value of all cash flow equal zero) to be used to pay down the Tax Increment Bond first and, subject to negotiation, also may be used to refund to the County all the interest paid by the County on the Tax Increment Bonds over the initial term of the bonds for a period not to exceed the initial term of the bonds, should excess development revenues remain available, subject to negotiation, excess development revenues may be used to redeem any outstanding Special Tax Bonds as well as all interest paid by the County or the Special Tax Bonds over the outstanding initial term of the bonds for a period not to exceed the initial term of the bonds; and also to make a provision for use of Special Tax Revenues after the Special Tax Bonds have been retired but in no event shall the amounts levied of Special Tax Revenue exceed the amounts that would have been paid had the Bond been retired under the Bond's amortization schedule; making findings and determinations concerning the public benefit and purposed of such special obligation bonds and providing that such special obligation bonds authorized to be issued hereby shall be payable from the amount levied and deposited in the Tax Increment Fund and the MBE's utilization goals have been met in accordance with Appendix B in the Bill.

(8) "North Core" means an area consisting of the real property identified on Exhibit A as "Property owned by Washington Metropolitan Area Transit Authority" ("WMATA") and under contract by Metroland.

(9) "North Core Bonds" means Bonds issued and secured by Special Taxes to be collected from the North Core Improvement Area and funds to be deposited to the Tax Increment Fund issued to fund the costs of the North Core Improvements.

(10) “North Core Improvement Area” means the area identified as the North Core Improvement Area on the Map of the Special Taxing District attached hereto as Exhibit A.

(11) “North Core Improvements” means the public improvements identified as such on Exhibit C.

(12) “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, 2005.

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

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

(a) The product of the Original Full Cash Value times the Assessment Ratio applicable to that Tax Year;

(b) The Original Assessable Base; or

(c) If an Adjusted Assessable Base applies, then the Original Taxable Value is the Adjusted Assessable Base.

(15) “South Core” means an area consisting of the real property identified as Exhibit A as “Property owned by Greenbelt Metropark L.L.C.”

(16) “South Core Bonds” means Bonds issued and secured by Special Taxes to be collected from the South Core Improvement Area (but not by funds on deposit in the Tax Increment Fund) and to pay for the costs of the South Core Improvements.

(17) “South Core Improvement Area” means the area identified as the South Core Improvement Area on Exhibit A.

(18) “South Core Improvements” means the public improvements identified as such on Exhibit C.

(19) “Special Tax” means the special taxes levied and imposed by the County pursuant to the Special Taxing District Act for the South Core Improvement Area pursuant to the Rate and Method of Apportionment of Special Taxes, Prince George’s County Greenbelt Station Special Taxing District, South Core Improvement Area, as set forth in Exhibit B-1 and for the North Core Improvement Area pursuant to the Rate and Method of Apportionment of Special

1 Taxes, Prince George's County Greenbelt Station Special Taxing District, North Core  
 2 Improvement Area, as set forth in Exhibit B-2.

3 (20) "Special Taxing District" means the contiguous area in the County  
 4 designated in Section 4 of this Resolution as a special taxing district under the Special Taxing  
 5 District Act.

6 (21) "Special Tax District Bonds" includes any revenue bonds or bond note or  
 7 notes or other similar instruments or instrument issued by the County pursuant to and in  
 8 accordance with this Resolution and the Special Taxing District Act.

9 (22) "Special Taxing District Fund" means the special taxing district fund  
 10 established in Section 7 of this Resolution.

11 (23) "Tax Increment" means for any Tax Year, the amount by which the  
 12 Assessable Base as of January 1 preceding that Tax Year exceeds the Original Taxable Value  
 13 divided by the Assessment Ratio used to determine the Original Taxable Value. In no event  
 14 shall the annual revenue paid to the Tax Increment Fund be more than 49.99% of the total annual  
 15 Tax Increment revenue collected by the County.

16 (24) "Tax Increment Bonds" includes any revenue bonds or bond, notes or note  
 17 or other similar instruments or instrument issued by the County pursuant to and in accordance  
 18 with this Resolution and the Tax Increment Act.

19 (25) "Tax Increment Fund" means the tax increment fund established in  
 20 Section 6 of this Resolution. The Tax Increment Fund cannot exceed \$300,000,000 in County  
 21 property taxes used to pay gross debt services payments less earnings or debt services and  
 22 contribution funds.

23 (26) "Tax Year" means the period from July 1 of a calendar year through  
 24 June 30th of the next calendar year.

25 SECTION 2. BE IT FURTHER RESOLVED, that acting pursuant to the Tax Increment  
 26 Act and Special Taxing District Act, it is hereby found and determined that the establishment of  
 27 the Development District and the Special Taxing District, the creation of the Tax Increment Fund  
 28 and the Special Taxing District Fund and the issuance of Bonds from time to time pursuant to the  
 29 Tax Increment Act and the Special Taxing District Act, all for the purpose of providing funds to  
 30 finance the costs of certain public infrastructure improvements, accomplishes the public purposes

1 of the Tax Increment Act and the Special Taxing District Act and generally promotes the health,  
2 welfare and safety of the residents of the State of Maryland and of the County.

3 SECTION 3. BE IT FURTHER RESOLVED, that a contiguous area of the City and  
4 County consisting of the property identified in Exhibit A is hereby designated as a “Development  
5 District” (to be known as the “Greenbelt Station Development District”) pursuant to Section  
6 14-206 of the Tax Increment Act. The Development District shall consist of the property  
7 identified in Exhibit A of this Resolution and all adjoining roads, highways, alleys, rights of way,  
8 parks and other similar property as necessary to form a contiguous area. The boundaries of the  
9 Development District may be modified prior to and after the issuance of the Bonds as provided  
10 in Section 5 of this Resolution.

11 SECTION 4. BE IT FURTHER RESOLVED, that a contiguous area of the City and the  
12 County consisting of the property identified in Exhibit A is hereby designated as a “Special  
13 Taxing District” (to be known as Greenbelt Station Special Taxing District) pursuant to Section  
14 10-269(e) of the Prince George’s County Code and Section 9-1301(f) of Article 24 of the  
15 Annotated Code of Maryland, as amended. The Special Taxing District shall consist of property  
16 identified in Exhibit A of this Resolution and all adjoining roads, highways, alleys, rights of way,  
17 parks and other similar property as necessary to form a contiguous area. The boundaries of the  
18 Special Taxing District may be modified prior to and after the issuance of the Bonds as provided  
19 in Section 5 of this Resolution.

20 SECTION 5. BE IT FURTHER RESOLVED, that prior to the issuance of the Bonds, the  
21 County Executive may, by executive order, reduce or enlarge the boundaries of the Development  
22 District and the Special Taxing District only for the purposes of (by way of illustration, boundary  
23 line adjustments and deed of corrections and other ministerial adjustments) but in no event shall  
24 it exceed three percent (3%) of the net acreage of the Development District and the WMATA  
25 property as provided herein below. The County Executive shall not add other parcels into the  
26 Development District without the approval of the County Council. Notwithstanding the above,  
27 the County Executive may, by executive order, reduce the boundaries of the Development  
28 District or the Special Taxing District (i) in the event the real property located in the North Core  
29 owned by WMATA and to be conveyed to Metroland Developers, LLC (“Metroland”) or its  
30 designee, pursuant to the terms of the WMATA Joint Development Agreement (as hereinafter  
31 defined) is not conveyed and the WMATA Joint Development Agreement is terminated, and (ii)



1 such modification of the boundaries of the Special Taxing District and the Development District  
2 is made to exclude the North Core.

3 SECTION 6. BE IT FURTHER RESOLVED, that there is hereby established a special  
4 fund to be designated the "Greenbelt Station Development District Tax Increment Fund" (the  
5 "Tax Increment Fund") with respect to the Greenbelt Station Development District and the  
6 County Executive, Chief Administrative Officer and the Financial Officer of the County are  
7 hereby directed and authorized to deposit in such Tax Increment Fund all taxes received by the  
8 County for any Tax Year commencing after the effective date of this Resolution and the TIF  
9 Bonds have been issued, equal to that portion of the taxes payable to the County which cannot be  
10 more than 49.99% of the annual Tax Increment revenues (but not including any taxes payable to  
11 the State of Maryland or to any other party) representing the levy on the Tax Increment that  
12 would normally be paid to the County. The County Executive, the Chief Administrative Officer  
13 and the Financial Officer and other officers and employees of the County, to the extent  
14 applicable, are hereby authorized to take all necessary steps in order to establish a separate fund  
15 to be held by the County.

16 SECTION 7. BE IT FURTHER RESOLVED, that there is hereby established a special  
17 fund to be designated the "Greenbelt Station Special Taxing District Fund" (the "Special Taxing  
18 District Fund"), which may have two accounts, one for the South Core Improvement Area and  
19 the other for the North Core Improvement Area, and the County Executive, Chief Administrative  
20 Officer and the Financial Officer of the County are hereby directed and authorized to deposit in  
21 such Special Taxing District Fund all Special Taxes received by the County and into each  
22 account the Special Taxes received by the County from each improvement area. The County  
23 Executive, the Chief Administrative Officer and the Financial Officer and other officers and  
24 employees of the County, to the extent applicable, are hereby authorized to take all necessary  
25 steps in order to establish a separate fund to be held by the County.

26 SECTION 8. BE IT FURTHER RESOLVED, that Bonds may be issued from time to  
27 time pursuant to an ordinance or ordinances enacted in accordance with the Tax Increment Act  
28 and the Special Taxing District Act for the purpose of providing funds for the financing of the  
29 North Core Improvements and the South Core Improvements. Such ordinance or ordinances  
30 shall specify, in general detail, the proposed undertaking to be financed with the proceeds of the

1 Bonds and shall otherwise conform to the requirements of the Tax Increment Act, the Special  
2 Taxing District Act and this Resolution.

3 SECTION 9. BE IT FURTHER RESOLVED, so long as the Bonds are outstanding, the  
4 Developers of the North Core Improvement Area will not sell or assign more than 50% to a non-  
5 affiliate ("Acquiring Party") any of the vertical or horizontal development rights under the  
6 Acquiring Party, without executing a written statement by the Acquiring Party that it will assume  
7 the obligations of the Developer as to the Developer's IRR provisions and terms and Parties of  
8 the Payment of excess development revenues under the Bill and the fully executed MOU which  
9 includes a County repayment agreement which is approved by the County Council, unless the  
10 Council otherwise consents.

11 SECTION 10. BE IT FURTHER RESOLVED, that prior to the issuance of the South  
12 Core Bonds, the following conditions must be met to the satisfaction of the County Executive:  
13 (1) the construction of the South Core development has received all governmental approvals for  
14 the conceptual and preliminary site plans, consents or authorizations necessary for such  
15 development subject to final site plan approval, other than administrative permits (e.g., building  
16 permits to be secured in the ordinary course of construction of the public infrastructure or other  
17 improvements), (2) sources of funds have been identified and are available to construct all of the  
18 South Core Improvements, and (3) sources of funds have been identified and are available to  
19 construct the North/South connector road in the South Core, and (4) there shall be an agreement  
20 between Greenbelt Metropark and the County Executive and approved by the County Council, as  
21 to the percentage of sharing by the County of the excess Base, as defined in the Bill of the South  
22 Core Improvement Area, which shall not be less than 33 1/3%.

23 SECTION 11. BE IT FURTHER RESOLVED that prior to the issuance of any Tax  
24 Increment Bonds to be secured by funds to be deposited to the Tax Increment Fund and  
25 representing the levy of the Tax Increment from property in the South Core, in addition to the  
26 requirements in Section 10, there shall be at least a letter of intent executed by an anchor tenant  
27 in the North Core that satisfies the requirements of CB-47 or a commitment to construct a  
28 minimum of a 200,000 square foot office building.

29 SECTION 12. BE IT FURTHER RESOLVED, that prior to the issuance of the North  
30 Core Bonds, the following conditions must be met to the satisfaction of the County Executive:  
31 (1) the real property within such Districts constituting the North Core, presently owned by

1 WMATA and to be conveyed to Metroland, or its designee, pursuant to the terms of a joint  
 2 development agreement between WMATA and Metroland (the "WMATA Joint Development  
 3 Agreement"), has been conveyed or WMATA has consented to the issuance of the Bonds, (2) the  
 4 construction of the North Core development has received all governmental approvals for the  
 5 conceptual and preliminary site plans, consents or authorizations necessary for such development  
 6 subject to final site plan approval, other than administrative permits (e.g., building permits to be  
 7 secured in the ordinary course of construction of the public infrastructure or other  
 8 improvements), and (3) sources of funds have been identified and are available to construct the  
 9 North Core Improvements, (4) sources of funds have been identified and are available to  
 10 construct the North/South connector road in the North Core, and (5) there shall be an MOU  
 11 including a repayment agreement executed by the Developers and the County Executive and  
 12 approved by the County Council.

13 SECTION 13. BE IT FURTHER RESOLVED, that the County hereby covenants and  
 14 pledges that if any Bonds issued under the Tax Increment Act with respect to the Development  
 15 District are outstanding, the property taxes on real property within the Development District shall  
 16 be divided so that (i) that portion of the taxes which would be produced by the rate at which  
 17 taxes levied each year by the County upon the Original Taxable Value shall be allocated to and  
 18 when collected paid into the funds of the County in the same manner as taxes by or for the  
 19 County on all other property are paid and (ii) that portion of the taxes representing the levy on  
 20 the Tax Increment that would normally be paid to the County which cannot be more than 49.99%  
 21 of the annual Tax Increment revenues (but not including any taxes payable to the State of  
 22 Maryland or to any other party) shall be paid into the Tax Increment Fund established hereunder  
 23 to be applied in accordance with the provisions of Section 14-208 of the Tax Increment Act. The  
 24 County acknowledges that neither the rate at which taxes are levied on real property within the  
 25 Development District nor the manner of assessment of the value of real property within the  
 26 Development District is to vary from the rate or manner of assessment that otherwise would have  
 27 applied if the Development District was not designated and the Tax Increment Fund was not  
 28 created, except to the extent that a specific valuation adjustment is mandated by the Tax  
 29 Increment Act for real property that qualifies for farm or agricultural use.

30 SECTION 14. BE IT FURTHER RESOLVED, that there hereby is levied and imposed a  
 31 Special Tax upon all real and personal property within the Special Taxing District, unless

1 exempted by law or by the provisions hereof, for the purposes, to the extent and in the manner  
2 provided in Exhibit B-1 and Exhibit B-2 attached hereto and made a part hereof, through the  
3 application of the procedures provided therein; provided however, that the maximum amount of  
4 Special Tax B levied in the North Core Improvement Area and the Special Tax levied in the  
5 South Core Improvement Area may be reduced proportionally as provided in Exhibit B to be  
6 equal to the minimum debt service coverage required by the trust indenture related to the  
7 issuance of the North Core Bonds and the South Core Bonds, respectively. In the event that the  
8 Tax Increment Fund does not contain monies in an amount sufficient to pay debt service on the  
9 North Core Bonds, or any other required payments for either the County's administrative  
10 expenses relating to the issuance of the North Core Bonds, then if the North Core Bonds are  
11 secured by both the Tax Increment Fund and the Special Tax B levied in the North Core  
12 Improvement Area, the Special Tax B levied in the North Core Improvement Area shall be  
13 collected to pay the debt service and administrative expenses related to the North Core Bonds  
14 that is not paid from the available amounts in the Tax Increment Fund. Further, the Special Tax  
15 levied and imposed by this Resolution in the Special Taxing District shall take effect and be in  
16 force for the fiscal year beginning July 1, 2007, provided that such Special Tax shall terminate  
17 when the Bonds are no longer outstanding, which for purposes of this Resolution shall mean the  
18 Bonds have been fully repaid or defeased. The Special Tax also may be levied with respect to  
19 refunding bonds issued under the Special Taxing District Act pursuant to the provisions of an  
20 ordinance or resolution enacted or adopted by the County in connection with the issuance of such  
21 refunding bonds.

22 The County Council has been provided with documentation as to the methodology  
23 utilized in apportioning the Special Tax among property owners within the Special Taxing  
24 District and the improvements to be provided for the Special Taxing District and based on such  
25 documentation finds that the methodology is reasonable and results in fairly allocating the cost of  
26 the improvements as required by the Special Taxing District Act, conditioned on and subject to  
27 certification by qualified experts as to the final methodology adopted in apportioning the Special  
28 Tax among the property owners and finds that any improvements located outside of the Special  
29 Taxing District are reasonably related to the improvements to be provided within the Special  
30 Taxing District.

1           SECTION 15. BE IT FURTHER RESOLVED, that the property within the Greenbelt  
2 Station Development District retained by WMATA following the conveyance of property to  
3 Metroland or its designee, will not be subject to any Special Tax requested or levied within the  
4 Greenbelt Station Special Taxing District by operation of law.

5           SECTION 16. BE IT FURTHER RESOLVED, that the provisions of this Resolution are  
6 severable, and if any provision, sentence, clause, section or part hereof is held or determined to  
7 be illegal, invalid or unconstitutional or inapplicable to any person or circumstances, such  
8 illegality, invalidity or unconstitutionality or inapplicability shall not affect or impair any of the  
9 remaining provisions, sentences, clauses, sections or parts of this Resolution or their application  
10 to other persons or circumstances. It is hereby declared to be the legislative intent that this  
11 Resolution would have been passed if such illegal, invalid, unconstitutional or inapplicable  
12 provision, sentence, clause, section or part had not been included herein, and as if the person or  
13 circumstances to which this Resolution or any part hereof are inapplicable had been specifically  
14 exempted therefrom. The County Executive shall have the right to correct any technical legal  
15 deficiencies by executive order, which order may be confirmed by the County Council.

16           SECTION 17. BE IT FURTHER RESOLVED, that this Resolution is administrative in  
17 nature and shall take effect upon approval by the County Executive.

Adopted this 28th day of November, 2006.

COUNTY COUNCIL OF PRINCE  
GEORGE'S COUNTY, MARYLAND

BY: \_\_\_\_\_  
Thomas E. Dernoga  
Chairman

ATTEST:

\_\_\_\_\_  
Redis C. Floyd  
Clerk of the Council

APPROVED:

DATE: \_\_\_\_\_ BY: \_\_\_\_\_  
Jack B. Johnson  
County Executive

**EXHIBIT A**  
**CR-65-2006 (DR-2)**

**Map of the**  
**Greenbelt Station Development District**  
**and Greenbelt Station Special Taxing District**

**EXHIBIT A**  
**CR-65-2006 (DR-2)**

**Properties Included in the Greenbelt Station Development District  
and Greenbelt Station Special Taxing District**

**PROPERTY OWNED BY: GREENBELT METROPARK L.L.C.**

<u>Tax ID</u>	<u>Address</u>	<u>Tax Lot</u>	<u>Shown On</u> Parcel Attached Plats As
239768-5	9221 Railroad Avenue	32 thru 36	Part Three
239769-3	9215 Railroad Avenue	30 & 31	Part Three
239770-1	9113 Railroad Avenue	17 thru 19	Part Three
239771-9	5452 Railroad Avenue	B&O Railroad	19 Part One
239772-7	Cherrywood Lane (241,772 Sq. Ft.)		82 Part One
239773-5	9201 Railroad Avenue	23 thru 25	Part Three
239774-3	9207 Railroad Avenue	26 thru 29	Part Three
239775-0	9100 Railroad Avenue	11 thru 13	Part Two
239776-8	9121 Railroad Avenue	21 & 22	Part Three
239777-6	9011 Railroad Avenue	6 thru 10	Part Two
239778-4	9119 Railroad Avenue	20	Part Three
2330603	9107 Railroad Avenue	14 & S Half of 15	Part Five
2330611	9111 <u>Railroad Avenue</u>	<u>42</u>	<u>Part Five</u>

**PROPERTY OWNED BY: WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY\***

<u>Tax ID</u>	<u>Address</u>	<u>Tax Lot</u>	<u>Shown On</u> Parcel Attached Plats As
2397420	5500 Greenbelt Metro Drive 26 (Block A-2 & 3)		8619-Lot 11 Part Four
2397453	5500 Greenbelt Metro Drive 26 (Block A-2 & 3)		8619-Lot A Part Four
2397461	5500 Greenbelt Metro Drive 26 (Block A-2 & 3)		8619-Lot B Part Four
2397479	5500 Greenbelt Metro Drive 26 (Block A-2 & 3)		8619-Lot C Part Four
2397487	5500 Greenbelt Metro Drive 26 (Block A-2 & 3)		8619-Lot D Part Four



**EXHIBIT B-1**

**RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES  
OF THE PRINCE GEORGE’S COUNTY  
GREENBELT STATION SPECIAL TAXING DISTRICT  
SOUTH CORE IMPROVEMENT AREA**

A Special Tax is hereby levied in the Greenbelt Station Special Taxing District South Core Improvement Area in an amount equal to the Maximum Special Tax each year from the 2007-2008 Tax Year through the Termination Date on each Parcel in accordance with the provisions described below. The County Executive shall determine the amount of the Special Tax to be collected each year, which amount may be less but not more than the Maximum Special Tax, through the application of the procedures described below. The levy of the Special Tax shall be abated to the extent the levy of the Special Tax exceeds the Special Tax to be collected for each Parcel as determined by the County Executive. All of the real and personal property in the South Core Improvement Area, unless otherwise provided by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

**A. DEFINITIONS**

The terms used herein shall have the following meanings:

**“Act”** means Chapter 549 of the Laws of Maryland 1995 (Article 17, Division 13, Section 10-268 of the Public Local Laws of the State of Maryland), recodified as Section 10-269 of the Prince George’s County Code, as amended from time to time and Section 9-1301 of Article 24 of the Annotated Code of Maryland, as amended (2001 Replacement Volume and 2003 Supplement).

**“Administrative Expenses”** means any or all of the following: the fees and expenses of the Trustee and Administrator employed by the County in connection with the Bonds; the expenses of the County in carrying out its duties under the Trust Indenture with respect to such Bonds, including, but not limited to, levying and collecting the Special Tax, complying with arbitrage rebate requirements and obligated persons disclosure requirements associated with applicable federal and state securities law, including the costs of any employees of the County and the fees of any professionals retained by the County to provide services for such purposes, and all other costs and expenses of the County, Administrator, or Trustee incurred in connection with the discharge of their respective duties herein or under the Trust Indenture with respect to the Bonds, including legal expenses associated with such duties, and, in the case of the County, in any way related to the administration of the South Core Improvement Area.

**“Administrator”** means the designee of the County Executive for purposes of making the calculations required herein and other services as designated by the County Executive.

**“Bonds”** means any bonds or other debt, including refunding bonds, whether in one or more series, issued by the County relating to the South Core Improvement Area pursuant to the Act and to be repaid in whole or part by the Special Tax.

**"Building Square Footage" or "BSF"** means the actual or, for property not yet developed, the estimated leasable building area as shown on the building permit, architectural plans or other available documents or based on land area and a reasonable floor to area ratio as estimated by the Administrator.

**"Classification Date"** means the date each year at which property is classified for purposes of determining the Special Tax to be collected from each Parcel. The Classification Date shall be determined each Tax Year by the County Executive or its designee as a date that provides sufficient time for the calculation, billing, and collection of the Special Tax.

**"Commencement Date"** means the first Tax Year that begins after the Bonds are issued.

**"Commercial Property"** means Taxable Property that is not Residential Property.

**"Completion of Construction"** means completion of all of the Public Improvements as evidenced by a certificate of completion (as provided for in the Trust Indenture).

**"County"** means Prince George's County, Maryland.

**"County Council"** means the County Council of Prince George's County, Maryland.

**"County Executive"** means the official of the County who is the chief executive officer of the County.

**"Developed Property"** means, for any Tax Year, any Parcel of Taxable Property which by the Classification Date a building permit has been issued.

**"District"** means the Greenbelt Station Special Taxing District established by the County under the Act.

**"Land Use Class" or "Land Use Classes"** means Land Use Class 1, Land Use Class 2, and Land Use Class 3.

**"Land Class 1"** means Residential Property that consists of or is intended to consist of Stacked Flats.

**"Land Use Class 2"** means Residential Property other than Land Use Class 1.

**"Land Use Class 3"** means Commercial Property.

**"Maximum Special Tax"** means the highest Special Tax, determined in accordance with Section C, levied in each Tax Year on Taxable Property.

**"Maximum Special Tax Rate"** means the Maximum Special Tax Rate described in Section C.

**“Non-Benefited Property”** means Public Property, Owner Association Property, and easements and rights of way for the exclusive use of a public utility provider.

**“Ordinance”** means the county legislation providing for the approval of the Rate and Method of Apportionment of Special Taxes of the Prince George’s County Greenbelt Station Special Taxing District South Core Improvement Area.

**“Owner Association Property”** means, for any Tax Year, any real property within the boundaries of the South Core Improvement Area that is owned by, or irrevocably offered for dedication, to an owner’s association, whether in fee simple or through an exclusive use easement or right of way; provided, however, that real property that has been irrevocably dedicated will only be included if a copy of the irrevocable dedication is provided to the Administrator by the Classification Date.

**“Parcel”** means a parcel within the South Core Improvement Area with a parcel number assigned by the Supervisor.

**“Personal Property Tax Rate”** means a tax rate equal to \$0 per \$100 of assessed value.

**“Proportionately”** means that the ratio of the actual Special Tax to be collected to the Maximum Special Tax is equal for all Parcels of Developed Property or Undeveloped Property, respectively.

**“Public Improvements”** means the public improvements the County has authorized to be constructed for the benefit of the South Core Improvement Area and funded by Bonds.

**“Public Property”** means property within the boundaries of the South Core Improvement Area owned by, or irrevocably offered for dedication, whether in fee simple or through an exclusive use easement, to the federal government, the State of Maryland, the County, or any other public agency.

**“Residential Property”** means Taxable Property used or to be used as residential dwelling units, including any ancillary uses thereto.

**“South Core Improvement Area”** means the South Core of the District as identified in the Ordinance.

**“Special Tax”** means the special tax levied by the County or the special tax to be collected from Taxable Property each Tax Year to fund the Special Tax Requirement.

**“Special Tax Requirement”** means that amount required in any Tax Year to pay: (1) debt service and other costs on the Bonds to be paid from Special Taxes collected in such Tax Year, (2) Administrative Expenses to be incurred in the Tax Year or incurred in any previous Tax Year and not paid by the South Core Improvement Area, (3) any amount required to replenish any reserve fund established in association with Bonds issued for the South Core Improvement Area, (4) a contingency amount which may be equal to the estimated delinquencies expected in

payment of the Special Tax not otherwise taken into account, and (5) the costs of remarketing, credit enhancement and liquidity facility fees (including such fees for instruments that serve as the basis of a reserve fund related to any indebtedness in lieu of cash), less any credits pursuant to the Trust Indenture.

**“Stacked Flats”** means property with multiple dwelling units within a building generally located above and below and side to side other dwelling units.

**“Supervisor”** means the supervisor of assessments for the County.

**“Tax Year”** means the period starting any July 1 and ending on the following June 30.

**“Taxable Property”** means any Parcel that is not Non-Benefited Property.

**“Termination Date”** means the Tax Year determined pursuant to Section G.

**“Trust Indenture”** means the indenture or fiscal agent agreement relating to the Bonds, as modified, amended and/or supplemented from time to time.

**“Trustee”** means the trustee, fiscal agent, or paying agent appointed by the County to carry out the duties of the trustee, fiscal agent, or paying agent specified in the Trust Indenture.

**“Undeveloped Property”** means, for any Tax Year, any Parcel of Taxable Property that is not classified as Developed Property.

## **B. ASSIGNMENT TO PARCEL CATEGORIES**

For each Tax Year, the Administrator shall classify all Parcels as Non-Benefited Property or Taxable Property, and all Parcels of Taxable Property as Developed Property or Undeveloped Property and as Land Use Class 1, Land Use Class 2, and Land Use Class 3.

## **C. MAXIMUM SPECIAL TAX**

The Maximum Special Tax for any Parcel in each Tax Year shall be the amount calculated pursuant to the following provisions.

The Maximum Special Tax for the 2007-2008 Tax Year for each Parcel shall be equal to the product of the number of dwelling units (or thousands of Building Square Footage of usable space for Land Use Class 3) of each Land Use Class on or expected to be built on such Parcel and Maximum Special Tax Rates for each Land Use Class as follows:

Land Use Class 1	\$1,100 per unit
Land Use Class 2	\$1,320 per unit
Land Use Class 3	\$550 per 1,000 BSF

On each July 1, commencing July 1, 2008, the Maximum Special Tax Rates shall be increased to 102 percent of the respective Maximum Special Tax Rate in effect in the previous Tax Year.

#### **D. LEVY AND COLLECTION OF SPECIAL TAXES**

Special Taxes have been levied in an amount equal to the Maximum Special Tax for each Parcel each year from the 2007-2008 Tax Year through the Termination Date. The County Executive shall determine the amount of the Special Tax to be collected each year, which amount may be less but not more than the Maximum Special Tax, through the application of the procedures described below. The levy of the Special Tax shall be abated to the extent the levy of the Special Tax exceeds the Special Tax to be collected for each Parcel as determined by the County Executive.

The Special Taxes to be collected prior to the Commencement Date shall be zero. Commencing with the Commencement Date and for each following Tax Year through the Termination Date, the County Executive shall determine the Special Tax Requirement and shall collect the Special Tax in an amount up to the Maximum Special Tax for each Parcel, as provided below, until the aggregate amount of the Special Tax to be collected equals the Special Tax Requirement.

**First:** For each Tax Year, prior to the Completion of Construction, the Special Tax shall be collected Proportionately from each Parcel of Developed Property at 91 percent of the applicable Maximum Special Tax for such Parcels. Subsequent to the Completion of Construction, the Special Tax shall be collected Proportionately on each Parcel of Developed Property up to 91 percent of the applicable Maximum Special Tax for such Parcels, in an amount necessary to fund the Special Tax Requirement.

**Second:** If additional monies are needed after the first step has been completed, the Special Tax shall be collected Proportionately on each Parcel of Undeveloped Property up to 100 percent of the Maximum Special Tax for each Parcel.

**Third:** If additional monies are needed after the first two steps have been completed, the Special Tax shall be collected Proportionately on each Parcel of Developed Property up to 100 percent of the applicable Maximum Special Tax for each Parcel.

#### **E. PROPERTY NOT SUBJECT TO SPECIAL TAXES**

A Special Tax shall not be levied on and shall not be collected from Non-Benefited Property.

#### **F. MANNER OF COLLECTION**

The Special Tax shall be collected in the same manner and at the same time as regular real property taxes and, in the event of a delinquent Special Tax, shall be subject to the same interest, penalties and lien as regular real property taxes; provided, however, the Special Taxes may be collected at a different time or in a different manner as determined by the County Executive.

## **G. TERMINATION OF SPECIAL TAX**

Except for any delinquent Special Taxes and related penalties and interest, Special Taxes shall not be collected on any Parcel after the first to occur of the repayment or defeasance of the Bonds and the thirtieth (30th) Tax Year after the Tax Year in which Bonds were issued (the "Termination Date"). The levy of the Special Tax shall cease on the Termination Date.

## **H. APPEALS OF THE CALCULATION OF SPECIAL TAXES**

Any property owner claiming that the amount or application of the Special Tax is not correct and requesting a refund may file a written notice of appeal and refund to that effect with the Administrator not later than one calendar year after the due date of the Special Tax that is disputed. The Administrator shall promptly review the appeal, and if necessary, meet with the property owner, consider written and oral evidence regarding the amount of the Special Tax, and decide the appeal. If the property owner does not agree with the decision of the Administrator, the decision may be appealed to the County Executive within thirty days of the notice of the Administrator regarding its determination of the appeal. The County Executive shall review the conclusion of the Administrator, the information made available to the Administrator, and such other information as may be submitted by the property owner or the Administrator. If the decision of the Administrator or the County Executive requires the Special Tax to be modified or changed in favor of the property owner, a cash refund shall not be made, except for the last year of levy or unless there are sufficient funds held by the Trustee not required to meet the Special Tax Requirement, but an adjustment shall be made to the Special Tax levy on that Parcel in the next Fiscal Year. This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to any other appeal or legal action by such owner.

## **I. PREPAYMENT OF SPECIAL TAX**

The Special Tax on any Parcel may be fully prepaid at any time and the obligation to pay the Special Tax permanently satisfied by payment of the amount calculated according to the following provisions:

The Special Tax prepayment amount shall be equal to the following: (a) the sum of the following: (i) Principal, (ii) Premium, (iii) Defeasance, and (iv) Fees, less (b) the Reserve Fund Credit, plus (c) any delinquent Special Taxes on such Parcel, including any applicable penalties and related costs, where the terms have the following meanings:

**"Principal"** means a portion of the principal of the applicable Bonds equal to (i) the Maximum Special Tax for the Parcel for which the Special Tax is being prepaid for the Tax Year in which such prepayment is made divided by (ii) the sum of the Maximum Special Taxes for all of the Parcels of Taxable Property (excluding any Parcels for which the Maximum Special Tax has been previously prepaid) for the Tax Year in which such prepayment is made with the result multiplied by (iii) the total applicable Bonds outstanding and not defeased.

**"Premium"** means an amount equal to the Principal multiplied by the applicable redemption premium, if any, for the Bonds to be redeemed, as provided for in the Trust Indenture.

**“Defeasance”** means the amount needed to pay interest on the Principal until the earlier of the maturity of or the earliest call date for the applicable Bonds, less (a) the amount that will be received by the Trustee from the reinvestment of the Special Tax prepayment until the Bonds are redeemed from the prepayment and (b) the Special Tax paid prior to the prepayment that will be applied to the interest or principal on the Bonds that is included in the calculation of the Principal or Defeasance.

**“Fees”** means Administrative Expenses associated with the prepayment, including but not limited to the calculation of the prepayment, the costs of redeeming the Bonds, and the costs of recording or publishing any notices related to the prepayment and the redemption of the Bonds.

**“Reserve Fund Credit”** means the reduction in the reserve fund requirement as provided for in the Trust Indenture resulting from the redemption of the Bonds.

The Maximum Special Tax may be prepaid in part, provided that proceeds for any such prepayment are sufficient to permit the redemption of Bonds in such amounts and maturities deemed necessary by the Administrator. The amount of any partial prepayment shall be computed by multiplying the Maximum Special Tax prepayment amount calculated above by the percent of the Maximum Special Tax to be prepaid.

The sum of the amounts calculated herein shall be paid to the Trustee and shall be used to pay and redeem Bonds in accordance with the Trust Indenture and to pay the Administrative Expenses associated with the prepayment. Upon the payment of such prepayment amount to the Trustee, the obligation to pay the portion of the Maximum Special Tax which is prepaid for such Parcel shall be deemed to be permanently satisfied, such portion of the Special Tax shall not be levied thereafter on such Parcel, and if the entire Maximum Special Tax has been prepaid, the County shall provide to the owner (or cause to be recorded) a recordable notice of the payment of the Special Tax within a reasonable period of time of receipt of such prepayment.

## **J. MANDATORY PREPAYMENT OF SPECIAL TAXES**

The Maximum Special Tax Rates are based on the following number of expected units (thousands of BSF for Land Use Class 3):

Land Use Class 1	342
Land Use Class 2	680
Land Use Class 3	80

A Mandatory Prepayment of Special Taxes shall be due from any Parcel that results in a reduction in the number of units in any Land Use Class (or thousands of BSF in Land Use Class 3) if such reduction will reduce the total of the Maximum Special Taxes to an amount less than the required debt service coverage required by Trust Indenture. The Mandatory Prepayment of Special Taxes shall be due from the Parcel (or any resultant Parcels) that results in the application of the provisions of this section.

The Mandatory Prepayment of Special Taxes shall be calculated as set forth in Section I, with the Principal being prepaid equal to (i) the reduction in the Maximum Special Tax for the Tax Year in which such prepayment is being made for the Parcel subject to the Mandatory Prepayment of Special Tax divided by (ii) the sum of the Maximum Special Taxes for all of the Parcels of Taxable Property (excluding any Parcels for which the Maximum Special Tax has been previously prepaid) for the Tax Year in which such prepayment is made (calculated before the reduction in the Maximum Special Tax) with the result multiplied by (iii) the total applicable Bonds outstanding and not defeased.

The Mandatory Prepayment of Special Taxes shall be due prior to the recordation, conveyance, or other action that results in the application of a Mandatory Prepayment of Special Taxes. The Mandatory Prepayment of Special Tax shall have the same sale and lien priorities as provided for by law for the Special Taxes.

The Mandatory Prepayment of Special Taxes shall not exceed the amount of the outstanding Bonds plus any amounts owed on the Bonds, including accrued interest and redemption fees.

#### **K. AMENDMENTS**

This Rate and Method of Apportionment may be amended by the County Executive and, to the maximum extent permitted by the Act, such amendments may be made without further notice under the Act and without notice to owners of Taxable Property within the South Core Improvement Area in order to (i) clarify or correct minor inconsistencies in the matters set forth herein, (ii) provide for lawful procedures for the collection and enforcement of the Special Tax so as to assure the efficient collection of the Special Tax for the benefit of the owners of the Bonds, and (iii) otherwise improve the ability to fulfill the obligations under the Trust Indenture to impose and collect the Special Tax and to make it available for the payment of the Bonds and Administrative Expenses. No such amendment shall be made by the County Executive unless and until it has (i) found and determined that the amendment is necessary and appropriate and does not materially adversely affect the rights of the owners of the Bonds and (ii) received an opinion of a nationally recognized bond counsel to the effect that the amendment is authorized pursuant to the terms of the Act and the Trust Indenture.

#### **L. INTERPRETATION OF PROVISIONS**

The County Executive shall make all interpretations and determinations related to the application of this Rate and Method of Apportionment, unless stated otherwise herein or in the Trust Indenture, and as long as there is a rational basis for any such determination, the determination shall be conclusive.

#### **M. REDUCTION IN THE MAXIMUM SPECIAL TAX**

The Maximum Special Tax may be reduced by the County Executive once the Bonds are issued to a rate that provides Maximum Special Taxes equal to the minimum debt service coverage required by the Trust Indenture. The reduction in the rate shall be by equal percentage to each Land Use Class.



**Exhibit B-2**  
**RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES**  
**OF THE PRINCE GEORGE’S COUNTY**  
**GREENBELT STATION SPECIAL TAXING DISTRICT**  
**NORTH CORE IMPROVEMENT AREA**

A Special Tax is hereby levied in the Greenbelt Station Special Taxing District North Core Improvement Area in an amount equal to the Maximum Special Tax each year from the 2007-2008 Tax Year through the Termination Date on each Parcel in accordance with the provisions described below. The County Executive shall determine the amount of the Special Tax to be collected each year, which amount may be less but not more than the Maximum Special Tax, through the application of the procedures described below. The levy of the Special Tax shall be abated to the extent the levy of the Special Tax exceeds the Special Tax to be collected for each Parcel as determined by the County Executive. All of the real and personal property in the North Core Improvement Area, unless otherwise provided by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

**A. DEFINITIONS**

The terms used herein shall have the following meanings:

**“Act”** means the Special Taxing District Act and the Tax Increment Act.

**“Adjusted Maximum Special Tax B”** means the Special Tax B determined in accordance with Section B.3.

**“Administrative Expenses”** means any or all of the following: the fees and expenses of the Trustee and Administrator employed by the County in connection with the Bonds; the expenses of the County in carrying out its duties under the Trust Indenture with respect to such Bonds, including, but not limited to, levying and collecting the Special Tax, complying with arbitrage rebate requirements and obligated persons disclosure requirements associated with applicable federal and state securities law, including the costs of any employees of the County and the fees of any professionals retained by the County to provide services for such purposes, and all other costs and expenses of the County, Administrator, or Trustee incurred in connection with the discharge of their respective duties herein or under the Trust Indenture with respect to the Bonds, including legal expenses associated with such duties, and, in the case of the County, in any way related to the administration of the North Core Improvement Area.

**“Administrator”** means the designee of the County Executive for purposes of making the calculations required herein and other services as designated by the County Executive.

**“Assessed Value”** means the value of the real property as determined by the Supervisor of Assessments.

**"Bonds"** means any bonds or other debt, including refunding bonds, whether in one or more series, issued by the County relating to the North Core Improvement Area pursuant to the Act and to be repaid in whole or part by the Special Tax.

**"Buildable Square Feet" or "BSF"** means the actual or, for property not yet developed, the estimated leasable building area as shown on the building permit, architectural plans or other available documents or based on land area and a reasonable floor to area ratio as estimated by the Administrator.

**"Class 1 Property"** means Residential Property that consists of or is intended to consist of rental apartments under common ownership and management..

**"Class 2 Property"** means Residential Property other than Land Use Class 1.

**"Class 3 Property"** means retail property, more specifically described as property predominantly used to sell goods to the general public, including any ancillary uses thereto.

**"Class 4 Property"** means office property, more specifically described as property used in a trade or business and any other Commercial Property not included in Class 3 Property and Class 5 Property, including any ancillary uses thereto.

**"Class 5 Property"** means hotel property, more specifically described as property with a predominate use being the temporary lodging of guests, including any ancillary uses thereto.

**"Classification Date"** means the date each year at which property is classified for purposes of determining the Special Tax to be collected from each Parcel. The Classification Date shall be determined each Tax Year by the County Executive or its designee as a date that provides sufficient time for the calculation, billing, and collection of the Special Tax.

**"Commencement Date"** means the first Tax Year that begins after the Bonds are issued.

**"Commercial Property"** means Taxable Property that is not Residential Property.

**"County"** means Prince George's County, Maryland.

**"County Council"** means the County Council of Prince George's County, Maryland.

**"County Executive"** means the official of the County who is the chief executive officer of the County.

**"Development District"** means any property within the "Greenbelt Station Development District," established by the County Council.

**"Equivalent Unit Factor"** means the following for each Property Class:

Class 1 Property      1.00 per Unit

Class 2 Property	2.61 per Unit
Class 3 Property	1.57 per 1,000 BSF
Class 4 Property	1.46 per 1,000 BSF
Class 5 Property	1.0 per 1,000 Room

**“Equivalent Units”** means the Equivalent Unit Factor for each Property Class multiplied by the number of units for Class 1 and 2 Property, and per 1,000 square feet of Building Square Footage for Class 3, 4 and 5 Property.

**“Maximum Special Tax A”** means the highest Special Tax A levied each year pursuant to Section B.1.

**“Maximum Special Tax B”** means the highest Special Tax B levied each year pursuant to Section B.2.

**“Non-Benefited Property”** means WMATA Property, Public Property, Owner Association Property, and easements and rights of way for the exclusive use of a public utility provider.

**“North Core Improvement Area”** means the North Core of the District as identified in the Ordinance.

**“Ordinance”** means the county legislation providing for the approval of the Rate and Method of Apportionment of Special Taxes of the Prince George’s County Greenbelt Station Special Taxing District North Core Improvement Area.

**“Owner Association Property”** means, for any Tax Year, any real property within the boundaries of the North Core Improvement Area that is owned by, or irrevocably offered for dedication, to an owner's association, whether in fee simple or through an exclusive use easement or right of way; provided, however, that real property that has been irrevocably dedicated will only be included if a copy of the irrevocable dedication is provided to the Administrator by the Classification Date.

**“Parcel”** means a parcel within the North Core Improvement Area with a parcel number assigned by the Supervisor.

**“Personal Property Tax Rate”** means a tax rate equal to \$0 per \$100 of Assessed Value.

**“Property Class”** means Class 1 Property, Class 2 Property, Class 3 Property, Class 4 Property, and Class 5 Property.

**“Property Conversion”** means the transfer of property in the North Core Improvement Area currently owned by WMATA and intended for private development to a private entity.

**“Proportionately”** means that the ratio of the Special Tax B to be collected as a percent of the Adjusted Maximum Special Tax B is equal for each Parcel (excluding those Parcels for which

the Adjusted Special Tax B is zero or the Special Tax B is to be collected at the Adjusted Special Tax B).

**“Public Property”** means property within the boundaries of the North Core Improvement Area owned by, or irrevocably offered for dedication, whether in fee simple or through an exclusive use easement, to the federal government, the State of Maryland, the County, or any other public agency.

**“Residential Property”** means Taxable Property used or to be used as residential dwelling units, including any ancillary uses thereto.

**“Special Tax”** means either the Special Tax A or the Special Tax B.

**“Special Tax A”** means the special tax levied by the County or the special tax to be collected from Taxable Property each Tax Year to fund the Special Tax Requirement A.

**“Special Tax B”** means the special tax levied by the County or the special tax to be collected from Taxable Property each Tax Year to fund the Special Tax Requirement B.

**“Special Tax B Credit”** means, for any Fiscal Year, the Tax Increment Revenues collected from a Parcel for that Fiscal Year. For purposes of calculating the Tax Increment Revenues for each Parcel, the base year value shall be allocated to each Parcel on the basis of the assessed value of each Parcel.

**“Special Tax Requirement A”** means the amount calculated pursuant to Section C.1.

**“Special Tax Requirement B”** means the amount calculated pursuant to Section D.1.

**“Special Taxing District Act”** means Chapter 549 of the Laws of Maryland 1995 (Article 17, Division 13, Section 10-268 of the Public Local Laws of the State of Maryland), recodified as Section 10-269 of the Prince George’s County Code, as amended from time to time and Section 9-1301 of Article 24 of the Annotated Code of Maryland, as amended (2001 Replacement Volume and 2003 Supplement).

**“Supervisor”** means the supervisor of assessments for the County.

**“Tax Increment”** has the meaning given to it in the resolution adopted by the County Council creating the Development District.

**“Tax Increment Revenues”** means any Tax Increment paid on any property within the Development District and available to apply to the Special Tax Requirement B.

**“Tax Increment Act”** means Sections 14-201 through 14-214, inclusive of Article 41 of the Annotated Code of Maryland (1997 Replacement Volume and 2003 Supplement).

**“Taxable Property”** means any Parcel that is not Non-Benefited Property.

**“Tax Year”** means the period starting any July 1 and ending on the following June 30.

**“Termination Date”** means the Tax Year determined pursuant to Section G.

**“Trustee”** means the trustee, fiscal agent, or paying agent appointed by the County to carry out the duties of the trustee, fiscal agent, or paying agent specified in the Trust Indenture.

**“Trust Indenture”** means the indenture or fiscal agent agreement relating to the Bonds, as modified, amended and/or supplemented from time to time.

**“WMATA Property”** means any property within the North Core Improvement Area owned by Washington Metropolitan Area Transit Authority.

## **B. MAXIMUM SPECIAL TAX**

### **1. Maximum Special Tax A**

The Maximum Special Tax A shall be equal to \$0.425 per \$100 of Assessed Value.

### **2. Maximum Special Tax B**

The Maximum Special Tax B for all Parcels within the North Core Improvement Area for the 2007-08 Fiscal Year shall be equal to (i) prior to the Property Conversion, zero, (ii) subsequent to the Property Conversion, \$11,284,000. On each July 1, commencing July 1, 2008, the Maximum Special Tax shall be increased to 102 percent of the respective Maximum Special Tax in effect in the previous Fiscal Year. The Maximum Special Tax B for each Parcel shall be equal to the following formula:

$$A = (B \div C) \times D$$

Where the terms have the following meaning:

- A = The Maximum Special Tax B for a Parcel
- B = The Equivalent Units built or expected to be built on a Parcel
- C = The total Equivalent Units estimated for all of the Parcels in the North Core Improvement Area
- D = The Maximum Special Tax B as stated above.

### **3. Adjusted Maximum Special Tax B**

The Adjusted Maximum Special Tax B for each Parcel shall be equal to the lesser of (but not less than zero) (i) the Maximum Special Tax B for the Parcel and (ii) the amount calculated by the following formula:

$$A = [(B \div C) \times D] - E$$

Where the terms have the following meaning:

- A = The Adjusted Special Tax B for a Parcel
- B = The Special Tax Requirement B plus Tax Increment Revenues available to apply to the Special Tax Requirement B
- C = The total Equivalent Units estimated for all of the Parcels in the North Core Improvement Area
- D = The Equivalent Units built or expected to be built on a Parcel.
- E = The Special Tax B Credit for the Parcel

The Special Tax B Credit applied to all Parcels shall not exceed the Tax Increment Revenues applied to the Special Tax Requirement B as provided for in Section D. 1.

## **C. LEVY AND COLLECTION OF THE SPECIAL TAX A**

### **1. Special Tax Requirement A**

The Special Tax Requirement A for any Tax Year shall be an amount equal to (A) the amount required in any Tax Year to pay: (1) debt service and other periodic costs (including deposits to any sinking funds) on the Bonds to be paid from the Special Taxes collected in such Tax Year, (2) Administrative Expenses to be incurred in the Tax Year or incurred in any previous Tax Year and not paid by the North Core Improvement Area, (3) amounts required to replenish any reserve fund established in association with any Bonds, (4) an amount equal to the estimated delinquencies expected in payment of the Special Tax, and (5) the costs of remarketing, credit enhancement, bond insurance, and liquidity facility fees (including such fees for instruments that serve as the basis of a reserve fund related to any indebtedness in lieu of cash); less, (B) (1) any credits available pursuant to the Trust Indenture, such as capitalized interest and investment earnings on any account balances, and (2) any other revenues available to the apply to the Special Tax Requirement A.

### **2. Levy and Collection of the Special Tax A**

The Special Tax A have been levied in an amount equal to the Maximum Special Tax A for each Parcel each year from the 2007-2008 Tax Year through the Termination Date. The County Executive shall determine the amount of the Special Tax A to be collected each year, which amount may be less but not more than the Maximum Special Tax A, through the application of the procedures described below. The levy of the Special Tax A shall be abated to the extent the levy of the Special Tax A exceeds the Special Tax A to be collected for each Parcel as determined by the County Executive.

The Special Tax A to be collected prior to the Commencement Date shall be zero. Commencing with the Commencement Date and for each following Tax Year, the County Executive shall provide for the collection of the Special Tax A on each Parcel of Taxable Property in an amount up to the Maximum Special Tax A determined by the following formula:

$$A = (B \div C) \times D$$

Where the terms have the following meaning:

- A = The Special Tax A to be collected from a Parcel
- B = The Special Tax Requirement A as set forth in Section C.1.
- C = The total of the Assessed Value for all of the Parcels of Taxable Property
- D = The Assessed Value of the Parcel

The Special Tax A levied by the preceding formula shall not exceed the Maximum Special Tax A as set forth in Section B. 1.

### 3. Circumstances Under Which the Special Tax A May be Increased as a Result of a Default

The Special Tax A levied on any Parcel may not be increased as a result of a default in the payment of the Special Tax A levied on any other Parcel. The Special Tax A to be collected from a Parcel may be increased as a result of a default in the payment of the Special Tax A levied on any other Parcel pursuant to the provisions of Section C. 1. and C.2. The Special Tax A is to be collected in an amount equal to the Special Tax Requirement A up to the Maximum Special Tax A. The Special Tax Requirement A includes an amount required to replenish any reserve fund established in association with any Bonds and an amount equal to the estimated delinquencies expected in payment of the Special Tax A not otherwise taken into account. The Special Tax A to be collected from any Parcel may not exceed the Special Tax A levied on the Parcel, regardless of the default in the payment of the Special Tax A levied on any other Parcel.

## **D. LEVY AND COLLECTION OF THE SPECIAL TAX B**

### 1. Special Tax Requirement B

The Special Tax Requirement B for any Tax Year shall be an amount equal to (A) the amount required in any Tax Year to pay: (1) debt service and other periodic costs (including deposits to any sinking funds) on the Bonds to be paid from the Special Taxes collected in such Tax Year, (2) Administrative Expenses to be incurred in the Tax Year or incurred in any previous Tax Year and not paid by the North Core Improvement Area, (3) amounts required to replenish any reserve fund established in association with any Bonds, (4) an amount equal to the estimated delinquencies expected in payment of the Special Tax, and (5) the costs of remarketing, credit enhancement, bond insurance, and liquidity facility fees (including such fees for instruments that serve as the basis of a reserve fund related to any indebtedness in lieu of cash); less, (B) (1) the Special Tax A revenues available to apply to the Special Tax Requirement A for that Tax Year, (2) Tax Increment Revenues available to apply to the Special Tax Requirement B for that Tax Year as provided for in the Trust Indenture, (3) any credits available pursuant to the Trust Indenture, such as capitalized interest and investment earnings on any account balances, and (4) any other revenues available to the apply to the Special Tax Requirement B.

### 2. Levy and Collection of the Special Tax

The Special Tax B has been levied in an amount equal to the Maximum Special Tax B for each Parcel each year from the 2007-2008 Tax Year through the Termination Date. The County

Executive shall determine the amount of the Special Tax B to be collected each year, which amount may be less but not more than the Maximum Special Tax B, through the application of the procedures described below. The levy of the Special Tax B shall be abated to the extent the levy of the Special Tax B exceeds the Special Tax B to be collected for each Parcel as determined by the County Executive.

The Special Tax B to be collected prior to the Commencement Date shall be zero. Commencing with the Commencement Date and for each following Tax Year through the Termination Date, the County Executive shall determine the Special Tax Requirement B, if any, for the applicable Fiscal Year and shall collect the Special Tax B Proportionately on each Parcel of Taxable Property in an amount up to the Adjusted Maximum Special Tax B for each Parcel such that the total of the Special Tax B collected is equal to the Special Tax Requirement B.

### 3. Circumstances Under Which the Special Tax B May be Increased as a Result of a Default

The Special Tax B levied on any Parcel may not be increased as a result of a default in the payment of the Special Tax B levied on any other Parcel. The Special Tax B to be collected from a Parcel may be increased as a result of a default in the payment of the Special Tax B levied on any other Parcel pursuant to the provisions of Section D. 1 and 2. The Special Tax B to be collected from any Parcel cannot be increased above the Adjusted Maximum Special Tax B as a result of a default in the payment of the Special Tax B collected from any other Parcel. If the Special Tax B to be collected from any Parcel pursuant to the provisions of Section D.1. and 2. is less than the Adjusted Maximum Special Tax B for such Parcel, the Special Tax B may be increased up to the Adjusted Maximum Special Tax B as a result of a default in the payment of the Special Tax B levied on any Parcel. The Special Tax B to be collected from any Parcel may not exceed the Special Tax B levied on the Parcel, regardless of the default in the payment of the Special Tax B levied on any other Parcel.

## **E. PROPERTY NOT SUBJECT TO SPECIAL TAXES**

A Special Tax shall not be levied on and shall not be collected from Non-Benefited Property.

## **F. MANNER OF COLLECTION**

The Special Tax shall be collected in the same manner and at the same time as regular real property taxes and, in the event of a delinquent Special Tax, shall be subject to the same interest, penalties and lien as regular real property taxes; provided, however, the Special Taxes may be collected at a different time or in a different manner as determined by the County Executive.

## **G. TERMINATION OF SPECIAL TAX**

Except for any delinquent Special Taxes and related penalties and interest, Special Taxes shall not be levied after the earlier of the repayment or defeasance of the Bonds or as provided for in the Trust Indenture (the "Termination Date"). After the Termination Date, and the collection of any delinquent Special Taxes, penalties and interest, the County Executive shall cause a



document evidencing such termination of the levy and collection of the Special Tax to be recorded in the land records of the County.

## **H. APPEALS OF THE CALCULATION OF THE SPECIAL TAX**

Any property owner claiming that the amount or application of the Special Tax is not correct and requesting a refund may file a written notice of appeal and refund to that effect with the Administrator not later than one calendar year after the due date of the Special Tax that is disputed. The Administrator shall promptly review the appeal, and if necessary, meet with the property owner, consider written and oral evidence regarding the amount of the Special Tax, and decide the appeal. If the property owner does not agree with the decision of the Administrator, the decision may be appealed to the County Executive within thirty days of the notice of the Administrator regarding its determination of the appeal. The County Executive shall review the conclusion of the Administrator, the information made available to the Administrator, and such other information as may be submitted by the property owner or the Administrator. If the decision of the Administrator or the County Executive requires the Special Tax to be modified or changed in favor of the property owner, a cash refund shall not be made, except for the last year of levy or unless there are sufficient funds held by the Trustee not required to meet the Special Tax Requirement, but an adjustment shall be made to the Special Tax levy on that Parcel in the next Fiscal Year. This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to any other appeal or legal action by such owner.

## **I. AMENDMENTS**

This Rate and Method of Apportionment of Special Taxes may be amended by the County Executive and, to the maximum extent permitted by the Special Taxing District Act, such amendments may be made without further notice under the Special Taxing District Act and without notice to owners of Taxable Property within the North Core Improvement Area in order to (i) clarify or correct minor inconsistencies in the matters set forth herein, (ii) provide for lawful procedures for the collection and enforcement of the Special Tax so as to assure the efficient collection of the Special Tax for the benefit of the owners of the Bonds, and (iii) otherwise improve the ability to fulfill the obligations under the Trust Indenture to impose and collect the Special Tax and to make it available for the payment of the Bonds and Administrative Expenses. No such amendment shall be made by the County Executive unless and until it has (i) found and determined that the amendment is necessary and appropriate and does not materially adversely affect the rights of the owners of the Bonds and (ii) received an opinion of a nationally recognized bond counsel to the effect that the amendment is authorized pursuant to the terms of the Special Taxing District Act and the Trust Indenture.

## **J. INTERPRETATION OF PROVISIONS**

The County Executive or the designee of the County Executive shall make all interpretations and determinations related to the application of this Rate and Method of Apportionment of Special Taxes, unless stated otherwise herein or in the Trust Indenture, and as long as there is a rational basis for any such determination, the determination shall be conclusive.

**K. REDUCTION IN THE MAXIMUM SPECIAL TAX B**

The Maximum Special Tax B may be reduced by the County Executive once the Bonds are issued to a rate that provides for the total of the Maximum Special Tax B to be equal to the minimum debt service coverage required by the Trust Indenture. The reduction in the rate shall be by equal percentage to each Land Use Class.

**EXHIBIT C**

**EXHIBIT A**  
**GREENBELT STATION**  
**SUMMARY OF INFRASTRUCTURE COSTS**

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**SOUTH CORE IMPROVEMENTS – Phase One (STD):****Offsite Road Improvements Estimates:**

MD 193 Improvements including improvements to:	\$ 5,828,304.01
Intersection #1 – MD193 & Rhode Island Avenue	
Intersection #2 – MD193 & MD430	
Intersection #10 – MD193 & Site Entrance	
Branchville Road Improvements – Property Frontage Only	\$ 147,264.95
N-S Connector Road (MD193 to South Property Line)	<u>\$ 2,793,513.68</u>
Total:	\$ 8,769,082.64

**Estimate for Right-of-Way Cost for above Improvements:**

Purchase of the Mengo Property (Intersection #10)	\$ 2,100,000.00
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**Sewer Main Extensions and Water & Sewer Relocation Estimates:**

	\$ 626,361.50
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**SWM/Floodplain Work:**

	\$ 724,548.00
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<b>Total Phase One South Core Improvements:</b>	<b>\$ 12,219,992.00</b>
<b>Total Phase One South Core Bond Proceeds:</b>	<b>\$ 15,566,000.00</b>

**GREENBELT STATION  
SUMMARY OF INFRASTRUCTURE COSTS  
PAGE 2**

**NORTH CORE IMPROVEMENTS (TIF & NORTH CORE STD):**

**Offsite Road Improvements:**

Intersection #8 – Cherrywood Lane & Springhill Lake Drive	\$ 140,990.00
Intersection #20 – MD 193 & 62 <sup>nd</sup> Street (Beltway Plaza)	\$ 141,636.61
	\$ 282,626.61

**Sewer & Water Main Extensions**

\$ 452,246.33

**SWM/Floodplain Work:**

\$ 965,127.40

**Interchange (I-95/I-495 Beltway):**

\$ 13,000,000.00

Contribution towards the construction of 2 additional ramps at the Greenbelt Metro Station exit

**Parking Garages:**

\$ 95,000,000.00

Total North Core costs of improvements:	\$ 109,700,000.00
Total North Core bond proceeds:	\$ 145,518,000.00

<b>TOTAL NORTH &amp; SOUTH CORES IMPROVEMENTS:</b>	<b>\$ 121,919,992.00</b>
<b>TOTAL NORTH &amp; SOUTH CORE BOND PROCEEDS:</b>	<b>\$ 161,084,000.00</b>

Note: Inflation Factor not included in costing