

## Prince George's County Council Agenda Item Summary

---

**Meeting Date:** 4/20/2010  
**Reference No.:** CR-020-2010  
**Draft No.:** 2  
**Proposer(s):** County Executive  
**Sponsor(s):** Dernoga  
**Item Title:** A Resolution for the purpose of designating Prince George's County as a Recovery Zone for purposes of issuance of Recovery Zone Economic Development Bonds and Recovery Zone Facility Bonds

---

**Drafter:** Bond Counsel  
**Resource Personnel:** Bond Counsel

---

### LEGISLATIVE HISTORY:

<b>Date Presented:</b>		<b>Executive Action:</b>
<b>Committee Referral:</b>	3/9/2010 - PSFM	<b>Effective Date:</b>
<b>Committee Action:</b>	4/7/2010 - FAV(A)	
<b>Date Introduced:</b>	3/9/2010	
<b>Public Hearing:</b>		
<b>Council Action (1)</b>	4/20/2010 - ADOPTED	
<b>Council Votes:</b>	MB:A, WC:A, SHD:A, TD:A, CE:A, AH:A, TK:A, EO:A, IT:A	
<b>Pass/Fail:</b>	P	
<b>Remarks:</b>		

---

### AFFECTED CODE SECTIONS:

---

### COMMITTEE REPORTS:

#### **Public Safety and Fiscal Management**

**Date 4/7/2010**

Committee Vote: Favorable 5-0 as amended (In Favor: Council Members Exum, Harrison, Campos, Dean, and Turner)

This resolution will provide for designating the entire geographic area of Prince George's County as a Recovery Zone pursuant to the provisions of the American Recovery and Reinvestment Act of 2009 (ARRA) which became effective on February 17, 2009. ARRA was established to provide certain incentives to promote job creation and economic recovery in areas particularly affected by employment decline.

ARRA includes provisions authorizing state and local governments and issuing authorities empowered to issue bonds on behalf of state and local governments to issue two new types of bonds, Recovery Zone Economic Development Bonds and Recovery Zone Facility Bonds. These bonds can be used to finance certain qualified economic development cost including capital expenditures for property in Recovery Zones, expenditures for public infrastructure, construction of public facilities, job training and educational programs.

The County has been allocated initial volume cap under ARRA whereby it can issue up to \$27,691,000 in Recovery Zone Economic Development Bonds and up to \$41,537,000 in Recovery Zone Facility Bonds. In order to issue these two types of bonds, the County must designate the entire geographic area as defined in Section 1400U-1(b) of ARRA as a Recovery Zone. This designation of the Recovery Zone is based on home foreclosure and unemployment statistics as well as other general economic distress that exist in the County.

The Office of Law has reviewed this resolution and finds it to be in proper legislative form with no legal impediments to its adoption.

The Committee requested that a written selection process for the Recovery Zone Facility Bonds Project be included as an attachment to the resolution.

The resolution was amended to include the selection process and the time allocation. The amendment is as follows:

On page 2, beginning at line 24 insert the following:

BE IT FURTHER RESOLVED, that the Recovery Zone Facility Bonds Project Selection Process hereby described in Exhibit "B", is attached hereto and made a part hereof.

There is no fiscal impact as a result of adopting CR-20-2010 since this resolution only designates the entire County as a Recovery Zone.

---

**BACKGROUND INFORMATION/FISCAL IMPACT:**

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

This Resolution designates the entire geographic area of the County as a Recovery Zone in order to permit the County to issue certain types of bonds created by the American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5, 123 Stat. 115 (2009) ("ARRA").

ARRA includes provisions authorizing state and local governments, and issuing authorities empowered to issue bonds on behalf of state and local governments, to issue two new types of bonds, Recovery Zone Economic Development Bonds and Recovery Zone Facility Bonds. The County received initial volume cap whereby it can issue up to \$27,691,000 in Recovery Zone Economic Development Bonds and up to \$41,537,000 in Recovery Zone Facility Bonds. In order to issue these types of bonds, the County must designate a Recovery Zone as defined in Section 1400U-1(b) of ARRA. Based on home foreclosure and unemployment statistics in the County, as well as the accompanying general economic distress that exists in the County, the County is designating the entire County as a Recovery Zone for purposes of ARRA.

---

**CODE INDEX TOPICS:**

---

**INCLUSION FILES:**

I-CR-20-2010 EXHIBITS A and B.pdf

---