

Prince George's County Council

Agenda Item Summary

Meeting Date: 7/23/2014
Reference No.: CB-014-2014
Draft No.: 2
Proposer(s): County Executive
Sponsor(s): Franklin
Item Title: An Act approving the issuance and sale of special obligation bonds in the aggregate principal amount of \$3,000,000 in order to finance planned infrastructure improvements within the Calvert Tract Special Taxing District

Drafter: Thomas Himler, Office of the County Executive
Resource Personnel: Thomas Himler, Office of the County Executive

LEGISLATIVE HISTORY:

Date Presented:	4/22/2014	Executive Action:	8/1/2014 S
Committee Referral:	4/22/2014 - PSFM	Effective Date:	9/15/2014

Committee Action: 6/26/2014 - FAV(A)

Date Introduced: 7/30/2014
Public Hearing: 7/23/2014 - 10:00 AM

Council Action (1) 7/23/2014 - ENACTED
Council Votes: WC:A, DLD:A, MRF:A, AH:N, ML:A, EO:A, OP:A, IT:A, KT:A
Pass/Fail: P
Remarks:

AFFECTED CODE SECTIONS:

COMMITTEE REPORTS:

Public Safety and Fiscal Management

Date 6/26/2014

Committee Vote No Recommendation as amended 3-0 (In Favor: Council Members Toles, Harrison and Turner)

This bill will provide for the issuance and sale of special obligation bonds in the amount of \$3,000,000 to finance planned infrastructure improvements within the Calvert Tract Special Taxing District. The Special Taxing District was established with the adoption of CR-28-2013. The bonds will finance a portion of the cost of public improvements consisting of a new bridge and associated roadwork improvements over the existing CSX railroad tracks.

There will be a levy of a real property special tax and a special hotel rental tax on properties in the special taxing district. The proposed real property special tax will be imposed upon all real property in the taxing district, except properties specifically exempted by law. This proposed special hotel tax of 5% will be levied on a gross amount of monies paid to the owners or operators of hotels located in the district.

The County Executive stated that the enactment of this legislation is vital to the success of a significant economic

development project in the established community. The crossing and associated road network financed by this special tax will enhance the projects connection to mass transit and the County's existing transportation infrastructure.

The bill was amended in Committee as follows:

On page 11, after line 12, insert "BE IT FURTHER ENACTED that the "Residential Property" Special Real Property Tax Rate listed in Table A of the Rate and Method of Apportionment of Special Taxes in "Exhibit C" shall be included in the notice to purchasers by the seller before the execution of the contract of sale pursuant to Section 2-162.01 of the Prince George's County Code regarding notice for any contracts for the sale of residential real property in this County that is located within a Special Taxing District." and renumber the remaining Sections.

BACKGROUND INFORMATION/FISCAL IMPACT:

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

This bill approves the issuance and sale of special obligation bonds in the aggregate principal amount of \$3,000,000 in order to finance planned infrastructure improvements within the Calvert Tract Special Taxing District. The Calvert Tract Special Taxing District was established and approved by the Council by the adoption of CR-28-2013. The district is located in the Town of Riverdale Park and the proposed legislation will support the construction of infrastructure required for the development a \$250 million mixed use project in this community. The bonds will finance a portion of the cost of public improvements in the special taxing district consisting of a new bridge and associated roadwork improvements over the existing CSX railroad tracks.

This bill authorizes a levy of a real property special tax and a special hotel rental tax on properties in the special taxing district. The proposed real property special tax will be imposed upon all real property in the taxing district, except properties specifically exempted by law. The proposed special hotel rental tax of five percent (5%) will be levied on the gross amount of monies paid to the owners or operators of hotels located in the district. These funds will be pledged to satisfy the debt service payments for the special obligation bonds.

CODE INDEX TOPICS:

INCLUSION FILES:

I-CB-14-2014 Exhibit B.pdf, I-CB-14-2014 Exhibit C.pdf
