



Prince George's County Council

Agenda Item Summary

Meeting Date: 10/9/2018

Effective Date: 12/17/2018

Reference No.: CB-074-2018

Chapter Number: 63

Draft No.: 2

Public Hearing Date: 10/9/2018 @ 1:30 PM

Proposer(s): County Executive

Sponsor(s): Glaros, Turner, Davis, Taveras and Franklin

Item Title: AN ACT CONCERNING THE ISSUANCE AND SALE OF SPECIAL OBLIGATION BONDS FOR THE KARINGTON DEVELOPMENT DISTRICT AND THE KARINGTON SPECIAL TAXING DISTRICT for the purpose of providing that special obligation bonds may be issued from time to time under the provisions of this Act, Sections 12-201 through 12-213 of the Economic Development Article of the Annotated Code of Maryland, as amended (the "Tax Increment Act"), Section 10-269 of Prince George's County Code, as amended, and Sections 21-501 through 21-523 of the Local Government Article of the Annotated Code of Maryland, as amended (collectively, the "Special Tax Act"), CR-73-2016 and CR-57-2018, each of the County Council of Prince George's County, Maryland, in an amount not to exceed the aggregate principal amount of Thirty-Three Million Dollars (\$33,000,000) in order for the County to finance or reimburse, in accordance with the Tax Increment Act and the Special Tax Act (together, the "Acts"), costs related to the construction and installation of certain of the public infrastructure improvements as more particularly described herein; making certain findings and determinations, among others, concerning the public benefit and purpose of such special obligation bonds, including that prior to the issuance of such bonds the criteria set forth in CR-38-2011, including but not limited to the "But-For Test," the "Trigger Mechanism/Look Back Provision," LMBE participation and the impact of the County credit/bond rating, have been satisfied; providing for the modification of certain requirements of CR-73-2016 related to Hotel Taxes; providing that the special obligation bonds authorized to be issued hereby shall be payable, from the amounts levied and deposited in the Tax Increment Fund (as defined in the Development District Formation Resolution) and the Special Taxing District Fund (as defined in the Special Taxing District Formation Resolution) and that the special obligation bonds shall not constitute a general obligation debt of the County or a pledge of the County's full faith and credit or taxing power other than the taxes representing the levy on the Tax Increment (as defined in the Development District Formation Resolution) and the Special Tax (as defined in the Special Taxing District Formation Resolution); authorizing the County Executive of the County to specify, prescribe, determine, provide for and approve certain details, forms, documents or procedures in connection with such special obligation bonds issued hereunder and any other matters necessary or desirable in connection with the authorization, issuance, sale and payment of such special obligation bonds; authorizing the County Executive to take certain actions, to execute documents and

make certain commitments on behalf of the County in connection with the issuance, sale and delivery of such special obligation bonds; authorizing the execution and delivery of such special obligation bonds and such other documents as may be necessary and desirable to effectuate the financing of the infrastructure improvements and the issuance, sale and delivery of such special obligation bonds; and generally providing for, and determining various matters in connection with, the issuance, sale, delivery and payment of such special obligation bonds.

Drafter: Bond Counsel
Resource Personnel: Thomas Himler, Office of the County Executive
 Sean Dixon, Office of Law

LEGISLATIVE HISTORY:

Date:	Acting Body:	Action:	Sent To:
09/04/2018	County Council	presented and referred	COW
<p>Action Text: This Council Bill was presented by the Chairman, by request of the County Executive, and referred to the Committee of the Whole</p>			
09/11/2018	COW	Favorably recommended with amendments	County Council
<p>Action Text: A motion was made by Vice Chair Turner, seconded by Council Member Davis, that this Council Bill be Favorably recommended with amendments. The motion carried by the following vote:</p>			
<p style="padding-left: 40px;">Aye: 9 Glaros, Davis, Franklin, Harrison, Lehman, Patterson, Taveras, Toles and Turner</p>			
09/11/2018	County Council	introduced	
<p>Action Text: This Council Bill was introduced by Council Members Davis, Glaros, Turner, Taveras and Franklin</p>			
10/09/2018	County Council	public hearing held	
<p>Action Text: The public hearing was held for this Council Bill</p>			
10/09/2018	County Council	enacted	
<p>Action Text: A motion was made by Council Member Davis, seconded by Vice Chair Turner, that this Council Bill be enacted. The motion carried by the following vote:</p>			
<p style="padding-left: 40px;">Aye: 8 Glaros, Davis, Harrison, Lehman, Patterson, Taveras, Toles and Turner</p>			
<p style="padding-left: 40px;">Absent: 1 Franklin</p>			

11/01/2018 County Executive signed

Action Text:

This Council Bill was signed

AFFECTED CODE SECTIONS:

BACKGROUND INFORMATION/FISCAL IMPACT:

This bill authorizes the issuance of up to \$33 million in special obligation bonds supported by tax increment revenues and special taxes for the Karington Development District and Karington Special Taxing District along Route 301 in Bowie, Maryland. The City of Bowie will be considering the approval of a contribution agreement in which the City will pledge tax increment revenues to secure the bonds. The long-planned project will encompass approximately 3.4 million square feet of mixed-use development, including 1,335 residential units, 600,000 square feet of commercial space, and 390 hotel rooms.

Document(s): B2018074, CB-74-2018 AIS, CB-74-2018 Report