

Amendment 11 to Council Bill No. 56-2016

BY: Jennifer Terrasa

**Legislative Day No. 17
Date: November 7, 2016**

Amendment No. 11

(This amendment provides for a look-back requirement with profit-sharing.)

1 On page 15, after line 24, insert:
2 “ **Section 11. Be it further enacted by the County Council of Howard County,**
3 **Maryland,** That that the Bonds shall not be issued until the developer has executed a profit-
4 sharing agreement with the County providing a reasonable profit from the development equal
5 to an unleveraged internal rate of return of 7% measured on cash flow before interest and
6 income taxes compared to total capital investment excluding financing costs related to the
7 public improvement and the development and costs associated with the tax increment
8 financing and special tax districts but including payment of special taxes. Pursuant to the
9 profit-sharing agreement, the County is entitled to 50% of any profits in excess of the
10 reasonable profit in accordance with the profit-sharing agreement’s requirement, a “true-up”
11 mechanism is to be established.”.