

INTRODUCED _____
PUBLIC HEARING _____
COUNCIL ACTION _____
EXECUTIVE ACTION _____
EFFECTIVE DATE _____

County Council Of Howard County, Maryland

2016 Legislative Session

Legislative Day No. 8

Bill No. 56 -2016

Introduced by: The Chairperson at the request of the County Executive

AN ORDINANCE levying and providing for the collection of a special tax on property within the special taxing district in the downtown Columbia area of Howard County, Maryland known as the "Crescent Special Taxing District" (the "Special Taxing District") pursuant to the Rate and Method identified herein and for various matters relating thereto; authorizing and empowering the County to issue up to \$90,000,000 of its special obligation bonds at a maximum interest rate not to exceed 12% per annum in order to finance or reimburse the cost of certain public improvements relating to the Special Taxing District and the Development District (as defined herein) and other costs permitted under the Acts (as identified herein); providing that such bonds and the interest thereon shall never constitute a general obligation of the County or a pledge of its full faith and credit; providing for the further specification, prescription, determination, provision for or approval of various other matters, details, documents and procedures in connection with the authorization, issuance, security, sale and payment for any such bonds; making certain legislative findings; and generally providing for the levy, imposition, collection and application of such special tax and the issuance of an initial series of bonds in accordance with the Acts identified herein.

Introduced and read first time _____, 2016. Ordered posted and hearing scheduled.

By order _____
Jessica Feldmark, Administrator

Having been posted and notice of time & place of hearing & title of Bill having been published according to Charter, the Bill was read for a second time at a public hearing on _____, 2016.

By order _____
Jessica Feldmark, Administrator

This Bill was read the third time on _____, 2016 and Passed ____, Passed with amendments _____, Failed _____.

By order _____
Jessica Feldmark, Administrator

Sealed with the County Seal and presented to the County Executive for approval this ___ day of _____, 2016 at ___ a.m./p.m.

By order _____
Jessica Feldmark, Administrator

Approved/Vetoed by the County Executive _____, 2016

Allan H. Kittleman, County Executive

NOTE: [[test in brackets]] indicates deletions from existing law; TEXT IN SMALL CAPITALS indicates additions to existing law; ~~Strike out~~ indicates material deleted by amendment; Underlining indicates material added by amendment.

1 **Recitals**

2 Sections 12-201 *et seq.* of the Economic Development Article of the Annotated Code of Maryland
3 (as amended from time to time, the “Tax Increment Financing Act”), authorize Howard County, Maryland
4 (the “County”) to establish a “development district” (as such term is used in the Tax Increment Financing
5 Act) and a “special fund” (as such term is used in the Tax Increment Financing Act) into which the real
6 property taxes levied on the “tax increment” (as such term is used in the Tax Increment Financing Act) of
7 properties located in the development district are deposited, and to issue bonds, the proceeds of which may
8 be used (i) to buy, lease, condemn, or otherwise acquire property, or an interest in property, in the
9 development district or needed for a right-of-way or other easement to or from the development district (ii)
10 for site removal; (iii) for surveys and studies; (iv) to relocate businesses or residents; (v) to install utilities,
11 construct parks and playgrounds, and for other needed improvements, including roads to, from or in the
12 development district, parking, and lighting; (vi) to construct or rehabilitate buildings for a governmental
13 purpose or use; (vii) for reserves or capitalized interest; (viii) for necessary costs to issue “bonds” (as such
14 term is used in the Tax Increment Financing Act); and (ix) to pay the principal of and interest on loans,
15 advances or indebtedness that a political subdivision incurs for any of the foregoing purposes.

16 Before issuing bonds pursuant to the Tax Increment Financing Act, the governing body of the
17 County must designate by resolution a contiguous area within its jurisdiction as a development district,
18 receive from the supervisor of assessments a certification as to the amount of the “original base”
19 or, if applicable, the “adjusted assessable base” (each as defined in the Tax Increment Financing Act), create
20 a special fund by resolution and pledge that until the bonds have been fully paid, the property taxes on real
21 property within the development district shall be divided and allocated as provided in the Tax Increment
22 Financing Act.

23 The Tax Increment Financing Act provides that the bonds shall be payable from that portion of the
24 taxes representing the levy on the tax increment deposited in the special fund, and that the County may also
25 establish sinking funds and debt service reserve funds, and pledge other assets and revenues toward the
26 payment of the bonds.

1 Sections 21-501 *et seq.* of the Local Government Article of the Annotated Code of Maryland (as
2 amended from time to time, the “Special Taxing District Act,” and together with the Tax Increment
3 Financing Act, the “Acts”), authorize the County to create a “special taxing district” (as such term is used in
4 the Special Taxing District Act), to borrow money by issuing and selling its “bonds” (as such term is used in
5 the Special Taxing District Act) for the purpose of financing, refinancing or reimbursing the “cost” (as such
6 term is used in the Special Taxing District Act) of the design, construction, establishment, extension,
7 alteration or acquisition of adequate storm drainage systems, sewers, water systems, roads, bridges, culverts,
8 tunnels, sidewalks, lighting, parking, parks and recreation facilities, libraries, schools, transit facilities, solid
9 waste facilities and related infrastructure improvements as necessary for the development and utilization of
10 the land, whether located within the special taxing district or outside of the special taxing district if the
11 infrastructure improvement is reasonably related to other infrastructure improvements within the special
12 taxing district, each with respect to any defined geographic region within the County, and to pay such bonds
13 from the proceeds of ad valorem taxes or special taxes levied on real property located within the boundaries
14 of the special taxing district and required to be deposited in a “special fund” created pursuant to the Special
15 Taxing District Act.

16 Prior to issuing and selling bonds for the purposes allowed under the Special Taxing District Act, a
17 request to create a special taxing district must be made to the County by both (i) at least two-thirds of the
18 owners of the real property located within the special taxing district and (ii) the owners of at least two-
19 thirds of the assessed valuation of the real property located within the special taxing district. The Application
20 to Request the Creation of a Special Taxing District, the Levy of Special Taxes on the Property in the Special
21 Taxing District, and the Issuance of Special Obligation Bonds (the “Request”) submitted to the County by
22 The Howard Research And Development Corporation constitutes a request of the property owners as
23 contemplated by Section 21-503(c) of the Special Taxing District Act.

24 Before issuing bonds under the Special Taxing District Act, the County is required to designate by
25 resolution an area or areas as a “special taxing district”, to adopt a resolution creating a special fund with
26 respect to the special taxing district, to provide for the levy of an ad valorem or special tax on all real

1 property within the special taxing district and to pledge that it will pay such ad valorem tax or special tax into
2 the special fund.

3 The bonds authorized to be issued by the Special Taxing District Act are special obligations of the
4 County payable from the ad valorem taxes or special taxes deposited in the special fund created by the
5 County, from sinking funds and debt service reserve funds established therefor, and from other assets or
6 revenues, if any, pledged by the County for that purpose.

7 Pursuant to Resolution No. _____105-2016, which is being introduced simultaneously with this
8 Ordinance and will be effective prior to the enactment of this Ordinance (the “Designation Resolution”), the
9 County has designated (i) a contiguous area within its boundaries comprised of approximately ~~120~~ 145 acres
10 of land located in Columbia, Maryland (as more particularly described in Exhibit A and Exhibit B to the
11 Designation Resolution), as a “development district” to be known as the “Downtown Columbia Development
12 District” (the “Development District”) for the purposes of the Tax Increment Financing Act and (ii) an area
13 within its boundaries comprised of approximately 61 acres of land located in Columbia, Maryland (as more
14 particularly described as tax account number 15-019921 and Map 36, Grid 1, Parcel 527 and as shown
15 on Exhibit C to the Designation Resolution), as a “special taxing district” to be known as the “Crescent
16 Special Taxing District” (the “Special Taxing District,” and together with the Development District, the
17 “Districts”) for the purposes of the Special Taxing District Act, in order to encourage and promote the
18 development of the downtown Columbia area, including the development of public parking facilities and
19 other public infrastructure.

20 The Designation Resolution contemplates that special obligation bonds will be issued by the County
21 pursuant to the authority of both Acts, in one or more series, from time to time, for the purposes of financing,
22 refinancing or reimbursing all or a portion of the cost of certain public improvements to serve the Districts,
23 as authorized by the Acts and other applicable law.

24 The Designation Resolution further provides that proceeds of any such bonds may also be applied to
25 finance, refinance or reimburse other costs and expenses permitted under both of the Acts.

1 Pursuant to the Designation Resolution, the County will establish a special fund as required by the
2 Tax Increment Financing Act designated as the “Downtown Columbia Tax Increment Fund” (the “Tax
3 Increment Fund”), and will determine certain other matters with respect to the Tax Increment Fund as
4 required by the Tax Increment Financing Act.

5 Pursuant to the Designation Resolution, the County will establish a special fund as required by the
6 Special Taxing District Act designated as the “Crescent Special Taxes Fund” (the “Special Taxes Fund”),
7 and will determine certain other matters with respect to the Special Taxes Fund as required by the Special
8 Taxing District Act.

9 Before issuing any bonds with respect to the Special Taxing District, the County is required by the
10 Special Taxing District Act to provide for the levy of an ad valorem tax or a special tax on all real property
11 within the Special Taxing District and to pledge that it shall pay such ad valorem tax or special tax to the
12 Special Taxes Fund for the payment of debt service on the bonds and other expenses and purposes permitted
13 under the Special Taxing District Act.

14 Pursuant to Section 12-204 of the Tax Increment Financing Act and Section 21-511 of the Special
15 Taxing District Act, the County may implement its authority under such Acts to issue its bonds for the
16 purpose of financing, refinancing or reimbursing the costs of public improvements benefiting the Districts
17 and certain related costs authorized by the Acts, by passing an ordinance which, among other matters,
18 specifies and describes the proposed undertaking and states that it has complied with certain conditions
19 precedent to the issuance of the bonds, specifies the maximum principal amount of the bonds to be issued,
20 and specifies the maximum rate of interest for the bonds.

21 By enactment of this Ordinance, the County desires to provide for the issuance of its special
22 obligation bonds, notes or other similar instruments in one or more series from time to time in an aggregate
23 principal amount not to exceed Ninety Million Dollars (\$90,000,000) (collectively, the “Bonds”) in order to
24 finance initially or reimburse the cost (within the meaning of the Acts) of public improvements benefiting the
25 Districts and related financing costs or costs of issuing the Bonds, including the funding of a debt service

1 reserve fund or payment of interest before, during or for a limited period of time after constructing the
2 infrastructure improvements.

3 In order to provide for the payment of the principal of and interest on the Bonds, pursuant to the
4 Designation Resolution, the County has (i) pledged that portion of the property taxes on real property
5 located within the Development District representing the levy on the Tax Increment (as defined in the
6 Designation Resolution) shall be paid into the Tax Increment Fund when collected and applied in accordance
7 with Section 9 of the Designation Resolution and Section 12-209 of the Tax Increment Financing Act and (ii)
8 determined to levy, impose and collect, and by this Ordinance hereby levies and imposes, and covenants to
9 collect, pursuant to Section 21-508 of the Special Taxing District Act, a special tax to be designated the
10 “Crescent Special Tax” (the “Special Tax”) upon all real property within the Special Taxing District, unless
11 otherwise provided by law or by the provisions hereof, for the purposes, to the extent and in the manner
12 herein provided, contingent upon the issuance and sale of the Bonds, as provided in the Howard County,
13 Maryland Crescent Special Taxing District – Rate and Method of Apportionment of Special Taxes, attached
14 hereto as Exhibit B and incorporated by reference herein as though set forth in full herein (the “Rate and
15 Method”).

16 The Special Tax shall be imposed, levied and collected in the Special Taxing District each fiscal year
17 of the County, beginning with the first fiscal year after the issuance of the Bonds, if necessary, in an amount
18 to be determined in accordance with the Rate and Method identified herein.

19 The Special Tax shall be collected in the same manner and at the same time as regular ad valorem
20 real property taxes are collected within the Special Taxing District, and the levy of the Special Tax shall be
21 discontinued when all of the Bonds have been paid in full (either at their maturity or prior to maturity by
22 defeasance in full).

23 Prior to issuing any Bonds relating to the Districts, the County is required to enact this Ordinance in
24 order to comply with certain provisions of the Acts.

1 Prior to enacting this Ordinance, the County Council of Howard County, Maryland (the “County
2 Council”) held a public hearing after giving not less than ten (10) days’ notice in a newspaper of general
3 circulation in the County in accordance with Section 21-505 of the Special Taxing District Act.

4 Prior to enacting this Ordinance, the County Council complied with Sections 12-203 and 12-208(c)
5 and (d) of the Tax Increment Financing Act and Sections 21-506 and 21-508 of the Special Taxing District
6 Act.

7 The County reasonably expects to make expenditures with respect to the public improvements to be
8 financed from proceeds of the Bonds, and to reimburse such expenditures from proceeds of the Bonds.

9 The County desires that this Ordinance shall serve as a declaration of official intent within the
10 meaning of, and for the purposes set forth in, U.S. Treasury Regulation Section 1.150-2 (the
11 “Reimbursement Regulations”).

12 **Now, therefore, in accordance with the Acts:**

13 **Section 1. Be it enacted by the County Council of Howard County, Maryland, That**

14 (a) The Recitals to this Ordinance (the “Recitals”) are deemed a substantive part of this
15 Ordinance and are incorporated by reference herein, and capitalized terms defined in the Recitals and
16 used herein shall have the meanings given to such terms in the Recitals.

17 (b) The following terms used in the Recitals and elsewhere in this Ordinance shall have the
18 meanings given to such terms in the respective Acts: “development district”, “tax increment”, “special
19 taxing district”, “cost”, “infrastructure improvements”, “bonds”, “special fund”, “ad valorem tax” and
20 “special tax”; and references to “public improvements” herein are deemed to refer to costs and activities
21 permitted to be financed and refinanced by both of the Acts, including (without limitation) “infrastructure
22 improvements”, as such term is used in the Special Taxing District Act.

23 (c) The findings and determinations set forth in Section 2 of the Designation Resolution are
24 hereby ratified and confirmed with respect to the subject matter of this Ordinance and the issuance of the
25 Bonds provided for herein.

1 (d) The issuance of Bonds for the purpose of providing funds initially to finance or reimburse
2 the costs of public improvements benefiting the Districts serves the public purposes of providing public
3 improvements within the County, directly and indirectly enhancing the taxable base of the County,
4 encouraging the development of residential areas, commerce and industry within the County, increasing
5 the general health and welfare of the residents of the County and increasing employment within the
6 County through the construction of the public improvements and the expected increased commercial activity
7 within and outside the Districts.

8 (e) The public improvements proposed to be initially financed with or reimbursed from Bond
9 proceeds include, but are not limited to, the construction of parking facilities, road improvements, utilities
10 and other public infrastructure as more particularly described in Exhibit A hereof (collectively, the
11 “Improvements”).

12 (f) The Improvements, in addition to providing general public benefits to the County and its
13 citizens, specifically benefit the properties located in the Districts by providing needed infrastructure
14 improvements for the use of the residents and businesses located or to be located on such properties and their
15 visitors and invitees and the general public.

16 (g) By the adoption of the Designation Resolution, the County took all necessary actions
17 contemplated by the Tax Increment Financing Act to provide for the segregation and deposit in the Tax
18 Increment Fund of that portion of the taxes representing the levy on the Tax Increment of properties
19 located in the Development District, and by this Ordinance the County hereby reiterates its pledge and
20 covenants to levy, collect and segregate such revenues for the benefit of the holders of the Bonds.

21 (h) By the adoption of the Designation Resolution and enactment of this Ordinance, the
22 County has complied with the provisions of the Acts, including but not limited to Section 12-204 of the
23 Tax Increment Financing Act and Section 21-511 of the Special Taxing District Act, requiring certain actions
24 to be performed prior to the issuance of any Bonds.

1 **Section 2. Be it further enacted by the County Council of Howard County, Maryland, That:**

2 (a) There is hereby levied and imposed pursuant to the Special Taxing District Act a
3 special tax (the “Special Tax”) upon all real property within the Special Taxing District, unless exempted by
4 law or by the provisions of the Rate and Method, in an amount equal to the Maximum Special Tax provided
5 for in the Rate and Method (subject to increase in each tax year as specified in the Rate and Method), which
6 Maximum Special Tax is hereby levied and imposed upon and allocated among the Parcels of Taxable
7 Property (as defined in the Rate and Method) located in the Special Taxing District in accordance with the
8 Rate and Method; provided that, the Maximum Special Tax may be reduced by the Director of Finance of the
9 County (the “Director of Finance”) in accordance with the Rate and Method. The Special Tax is hereby
10 levied and imposed to the extent and in the manner provided in the Rate and Method, through the application
11 of the procedures provided for in the Rate and Method. The Special Tax shall take effect and terminate as
12 provided in the Rate and Method. The Maximum Special Tax is designed to provide adequate revenues to
13 pay the principal of, interest on and redemption premium, if any, on the Bonds, to replenish any debt service
14 reserve fund, and for any other purpose related to the ongoing expenses of or security for the Bonds. The
15 County hereby covenants that the Special Tax shall be collected in accordance with the Rate and Method at a
16 rate and amount at least sufficient in each year in which any of the Bonds are outstanding to provide, if
17 necessary, for the payment of the principal of, interest on and any redemption premium on the Bonds, to
18 make any other required payments and to provide for ongoing expenses of or security for the Bonds, all in
19 accordance with the Rate and Method; provided that, amounts on deposit in the Tax Increment Fund or
20 available from other sources (including interest earnings) shall be credited against the Special Tax to be
21 collected in each year in accordance with the Rate and Method. The Council hereby authorizes and directs
22 the County Executive of the County (the “County Executive”), on behalf of the County, to determine the
23 amount of the Special Tax to be collected from each Parcel of Taxable Property in each year in accordance
24 with the procedures set forth in the Rate and Method, which amount to be collected may be in an amount less
25 than the Maximum Special Tax allocable to each such Parcel in accordance with the Rate and Method, but
26 may not exceed the Maximum Special Tax allocated to each such Parcel pursuant to the Rate and Method.

1 The Rate and Method was prepared by MuniCap, Inc. for the benefit of the County. The Special Tax also
2 may be levied with respect to any refunding bonds issued under the Special Taxing District Act (and any
3 other authorizing law, if applicable) pursuant to the provisions of an ordinance or resolution enacted or
4 adopted by the County in connection with the issuance of such refunding bonds.

5 (b) Attached hereto as Exhibit C and incorporated by reference herein as though set forth herein
6 in full is the “Howard County, Maryland Crescent Special Taxing District – Special Tax Report” (the
7 “Report”), prepared by MuniCap, Inc. for the benefit of the County, which Report documents the
8 methodology utilized in apportioning the Special Tax among property owners within the Special Taxing
9 District and, based on, and in reliance upon, the Report, the Council finds that the methodology is
10 reasonable and results in fairly allocating the costs of the Improvements as required by the Special Taxing
11 District Act.

12 **Section 3. Be it further enacted by the County Council of Howard County, Maryland, That:**

13 The issuance and sale by the County of the Bonds, from time to time, in one or more series, in an
14 aggregate principal amount not to exceed Ninety Million Dollars (\$90,000,000), and bearing interest at a rate
15 of interest not to exceed Twelve Percent (12%) per annum, all as may be determined pursuant to this
16 Ordinance, is hereby authorized and approved. The Bonds are authorized hereby to be executed by the
17 manual or facsimile signatures of the County Executive and the Director of Finance of the County (the
18 “Director of Finance”) and the seal of the County shall be affixed to the Bonds and attested by the Chief
19 Administrative Officer of the County (the “Chief Administrative Officer”). Any series of Bonds shall mature
20 not later than thirty (30) years from the date of issuance. **The Bonds shall not be an indebtedness of the**
21 **County for which the County is obligated to levy or pledge, or has levied or pledged, ad valorem taxes**
22 **or special taxes of the County other than the real property taxes representing the levy on the Tax**
23 **Increment of properties located in the Development District or the Special Taxes contemplated by this**
24 **Ordinance. The Bonds shall be a special obligation of the County and will not constitute a general**
25 **obligation debt of the County or a pledge of the County’s full faith and credit or taxing power. The**
26 **only funds the County will be obligated to use to make payment on the Bonds will be those that result**

1 **from real property taxes levied by the County on the Tax Increment of properties located in the**
2 **Development District and the Special Tax levied on and collected from property located in the Special**
3 **Taxing District and from moneys held under the Indenture.**

4 **Section 4. Be it further enacted by the County Council of Howard County, Maryland,** That
5 prior to the sale, issuance and delivery of any series of the Bonds, the County Executive, by executive order,
6 is hereby authorized, empowered and directed to specify, prescribe, determine, provide for or approve, for
7 the purposes and within the limitations of the Acts and this Ordinance, all matters, details, forms, documents
8 and procedures pertaining to the sale, security, issuance, delivery and payment of or for such Bonds,
9 including, without limitation, the following (references in the following clauses (a) – (r) to the Bonds are
10 deemed to refer to any series of the Bonds):

- 11 (a) The actual principal amount of the Bonds to be issued;
- 12 (b) The actual rate or rates of interest for the Bonds;
- 13 (c) The manner in which and the terms upon which the Bonds are to be sold;
- 14 (d) The manner in which and the times and places that the interest on the Bonds is to be paid;
- 15 (e) The time or times that the Bonds may be executed, issued and delivered;
- 16 (f) The form and tenor of the Bonds and the denominations in which the Bonds may be issued;
- 17 (g) The manner in which and the times and places that the principal of the Bonds is to be paid,
18 within the limitations set forth in the Acts and this Ordinance;
- 19 (h) Provisions pursuant to which any or all of the Bonds may be called for redemption prior to
20 their stated maturity dates;
- 21 (i) Provisions for obtaining insurance for the Bonds or for the issuance of a guaranty, letter of
22 credit, line of credit, or similar credit support for the Bonds;
- 23 (j) The form and contents of, and provisions for the execution and delivery of, such financing or
24 other documents that are not otherwise specifically identified in this Ordinance or the Designation
25 Resolution, and any amendments, modifications or supplements thereto, as the County Executive shall deem
26 necessary or desirable to evidence, secure or effectuate the issuance, sale and delivery of the Bonds,

1 including, without limitation, any trust indenture or trust agreement, any funding or similar agreement, any
2 bond purchase agreement, agreements with consultants to or agents of the County with respect to the
3 Districts or the Bonds, fee agreements, investment agreements, security agreements, assignments, guarantees,
4 financing agreements or escrow agreements;

5 (k) The creation of security for the Bonds and provision for the administration of the Bonds
6 including, without limitation, the appointment of such trustees, escrow agents, fiscal agents, administrators of
7 the Districts, paying agents, registrars, rebate monitors or other agents as the County Executive shall deem
8 necessary or desirable to effectuate the transactions authorized hereby;

9 (l) Provisions for the preparation and distribution of both a preliminary and a final official
10 statement, placement memorandum, offering circular or other disclosure document in connection with the
11 sale of the Bonds, if such preliminary and final official statement, placement memorandum, offering circular
12 or other disclosure document is determined to be necessary or desirable for the sale of the Bonds;

13 (m) The determination of the manner of sale of the Bonds, which may be either at public or
14 private negotiated or competitive sale, the identity of the underwriter or placement agent for the Bonds, if
15 any, or the purchaser or purchasers of the Bonds, and the form and contents of, and provisions for the
16 execution and delivery of, any contract or contracts for the purchase and sale of the Bonds (or any portion
17 thereof);

18 (n) To the extent that other obligated persons with respect to the Bonds have not
19 assured compliance with, or to the extent that the offering of the Bonds is not exempt from the requirements
20 of, Rule 15c2-12 of the United States Securities and Exchange Commission, the determination of the form
21 and contents of any written agreement or contract required by law or to the extent the same is determined to
22 be necessary or desirable even if not required by law, for the benefit of the holders of the Bonds under which
23 agreement or contract the County will undertake to provide annual financial information, audited financial
24 statements, material events notices, and other information to the extent required by such Rule or such
25 agreement or contract;

1 (o) The negotiation, preparation, execution and delivery of any development agreements or use
2 agreements with the owners of any portion of the property located within the Districts and/or their
3 developers, contractors or agents regarding the use and application of proceeds of the Bonds or the use or
4 ownership of properties located within the Districts or outside the Districts if benefited by the Improvements
5 and any agreements necessary or desirable to provide the transfer of ownership of the Improvements to the
6 County or any other governmental agency or public entity if required by the County Executive or in order to
7 ensure that the interest payable on any such Bonds shall remain exempt from gross income for federal
8 income tax purposes, if applicable;

9 (p) The specific Improvements to be financed, reimbursed or refinanced from proceeds of the
10 Bonds or the mechanics for determining the same;

11 (q) Any matters contemplated by the Acts relating to application of the proceeds of the Bonds,
12 including, without limitation, the establishment and application of sinking funds and reserve funds and
13 provision for any payment of capitalized interest on the Bonds; and

14 (r) The determination of, or the provision for, such other matters in connection with the
15 authorization, issuance, execution, sale, delivery, and payment of the Bonds, the security for the Bonds, and
16 the consummation of the transactions contemplated by this Ordinance as may be deemed appropriate by the
17 County Executive, including, without limitation, establishing procedures for the execution,
18 acknowledgement, sealing and delivery of such other and further agreements, documents and instruments,
19 and the authorization of the officials of the County to take any and all actions, as are or may be necessary or
20 appropriate to consummate the transactions contemplated by this Ordinance in accordance with the Acts and
21 this Ordinance.

22 The County Executive's execution and delivery of any such executive order shall constitute
23 conclusive evidence of the County Executive's approval of the subject matter thereof.

24 **Section 5. Be it further enacted by the County Council of Howard County, Maryland,** That the
25 County Executive, on behalf of the County, by an executive order contemplated in Section 4 hereof, is
26 hereby authorized to condition the issuance of any series of the Bonds upon the execution, delivery and

1 recording, as applicable, by the County, any of then-current owners of property located in the Districts, the
2 developers of property within the Districts or other appropriate parties of any declaration of covenants, any
3 notice to subsequent property owners within the Districts, any notification to a governmental unit having
4 jurisdiction over any Improvements located outside the County, or any other similar documents, instruments
5 or certificates reasonably related to the transactions contemplated by this Ordinance. The County Executive,
6 on behalf of the County, is hereby authorized and empowered to prepare or cause to be prepared, negotiate or
7 cause to be negotiated and execute and deliver any such documents, instruments or certificates to which the
8 County is a party, and the same shall contain such terms, agreements and conditions and be in such form as
9 the County Executive may approve, and the execution and delivery of the same by the County Executive
10 shall constitute conclusive evidence of the County Executive's approval thereof.

11 **Section 6. Be it further enacted by the County Council of Howard County, Maryland, That:**

12 (a) The County covenants with the registered owners of any such series of the Bonds that it will
13 not make, or (to the extent that it exercises control or direction) permit to be made, any use of the proceeds of
14 the applicable series of Bonds or of any monies, securities or other obligations to the credit of any account of
15 the County which may be deemed to be proceeds of such series of the Bonds pursuant to the Internal
16 Revenue Code of 1986, as amended (the "Code"), or the income tax regulations thereunder (the
17 "Regulations") (collectively, the "Bond Proceeds") that would cause the Bonds of such series to be
18 "arbitrage bonds" within the meaning of the Code and the Regulations, and that it will comply with those
19 provisions of the Code and the Regulations as may be applicable to the Bonds of such series on their date of
20 issuance and which may subsequently lawfully be made applicable to the Bonds of such series as long as any
21 applicable Bond remains outstanding and unpaid.

22 (b) The County specifically covenants that it will comply with the provisions of the Code and
23 the Regulations applicable to any such series of the Bonds, including, without limitation, compliance with
24 provisions regarding the timing of the expenditure of the proceeds of the Bonds, the use of such proceeds and
25 the facilities financed or refinanced with such proceeds, the restriction of investment yields, the filing of
26 information with the Internal Revenue Service, and the rebate of certain earnings resulting from the

1 investment of the proceeds of the Bonds or payments in lieu thereof. The County further covenants that it
2 shall make such use of the proceeds of the Bonds of such series, regulate the investment of the proceeds
3 thereof and take such other and further actions as may be required to maintain the exclusion from gross
4 income for federal income tax purposes of interest on the Bonds of such series. All officials, officers,
5 employees and agents of the County are hereby authorized and directed to provide such certifications of facts
6 and estimates regarding the amount and use of the proceeds of the Bonds of such series as may be necessary
7 or appropriate.

8 (c) The provisions of this Section 6 shall apply only to any series of Bonds that is issued with
9 the expectation that interest on the Bonds of such series shall be excludable from gross income for purposes
10 of federal income taxation.

11 **Section 7. Be it further enacted by the County Council of Howard County, Maryland,** That the
12 County reasonably expects to pay costs permitted by both of the Acts with respect to the Improvements
13 described in the Recitals to this Ordinance prior to the issuance of the Bonds and to use proceeds of the
14 Bonds to reimburse all or a portion of such prior expenditures. The maximum principal amount of the Bonds
15 expected to be issued by the County for the purpose of financing or reimbursing the costs of such
16 Improvements and related costs permitted by the Acts is Ninety Million Dollars (\$90,000,000). The County
17 intends that this Ordinance shall constitute a declaration of official intent within the meaning of, and for the
18 purposes set forth in, the Reimbursement Regulations.

19 **Section 8. Be it further enacted by the County Council of Howard County, Maryland,** That
20 the County Executive, the Chief Administrative Officer and the Director of Finance, acting individually
21 or in concert as appropriate (in any such case the “Authorized Representative”), and provided that such
22 actions are within the bounds of their authority, are authorized and directed to take any and all actions and
23 to execute, attest, affix the County’s seal to and deliver, and to file and record in any appropriate public
24 offices (if applicable) all documents, instruments, certifications, forms (including but not limited to,
25 appropriate IRS forms in respect to the Bonds), financing statements, letters of instructions, written
26 requests, contracts, agreements and other papers customarily delivered in connection with the issuance of

1 obligations in the nature of the Bonds, whether or not herein mentioned and not otherwise provided for
2 herein or in the Designation Resolution, as may be necessary or convenient to evidence the approvals of
3 the County provided in this Ordinance, to invest the proceeds of the Bonds or moneys on deposit in the
4 Tax Increment Fund or the Special Taxes Fund (in all such, cases, in accordance with the provisions of
5 applicable Maryland and federal law), to facilitate the issuance of any series of the Bonds and to
6 consummate the transactions contemplated in this Ordinance or in any of the documents herein authorized
7 and approved.

8 **Section 9. Be it further enacted by the County Council of Howard County, Maryland,** That the
9 provisions of this Ordinance shall be liberally construed in order to effectuate and carry out the purposes of
10 and the activities authorized by the Acts and the matters contemplated by this Ordinance.

11 **Section 10. Be it further enacted by the County Council of Howard County, Maryland,** That
12 the provisions of this Ordinance are severable, and if any provision, sentence, clause, section or part hereof is
13 held or determined to be illegal, invalid, unconstitutional or inapplicable to any person or circumstance, such
14 illegality, invalidity, unconstitutionality or inapplicability shall not affect or impair any of the remaining
15 provisions, sentences, clauses, sections or parts of this Ordinance or their application to other persons or
16 circumstances. It is hereby declared to be the intent of the County that this Ordinance would have been
17 adopted if such illegal, invalid, unconstitutional or inapplicable provision, sentence, clause, section or part
18 had not been included herein, and if the person or circumstances to which this Ordinance or any part hereof
19 are inapplicable had been specifically exempted herefrom.

20 **Section 11. Be it further enacted by the County Council of Howard County, Maryland,** That
21 this Ordinance shall take effect on the date of its enactment. In the event that no Bonds are issued pursuant to
22 the Acts within five years of the effective date of this Ordinance, this Ordinance shall expire and shall be of
23 no further force and effect. The Council may extend the effectiveness of this Ordinance prior to its expiration
24 by enacting another ordinance.

25

1 **Section 12. Be it further enacted by the County Council of Howard County, Maryland, That**
2 unless, on or before November 30, 2016, the ownership of Merriweather Post Pavilion has been transferred
3 to the Downtown Columbia Arts and Culture Commission, Inc., and the Parking Easement Agreement by
4 and among Merriweather Post Business Trust, The Howard Research and Development Corporation, and the
5 Downtown Columbia Arts and Culture Commission
6 dated May 31, 2016 has been recorded in the land records of Howard County, this Act shall be void.

7 **Section 13. Be it further enacted by the County Council of Howard County, Maryland, That**
8 the Bonds shall not be issued until the Howard Research and Development Corporation has confirmed in
9 writing to the County that:

10 1. County Council Resolution No. 103-2016 and County Council Bill Nos. 55-2016, 54-2016, 53-
11 2016, and 52-2016 are satisfactory; and

12 2. the Downtown Columbia Development Memorandum Of Understanding dated on or about
13 November 9, 2016, has been approved by all parties and is binding.

14 **Section 14. Be it further enacted by the County Council of Howard County, Maryland, That**
15 bonds shall not be issued unless an enforceable agreement between the County and the Developer provides
16 for appropriate facilities, including an EMT/Quick Strike facility, within the multi-level public parking
17 garage TIF garage, which facilities shall meet the requirements of the Howard County Department of Fire
18 and Rescue Services for fighting fires in parking garages.

EXHIBIT A

Description of Improvements

The public improvements include but are not limited to:

1. the construction of parking facilities, including a multi-level public parking garage and related infrastructure necessary to facilitate access and operations;
2. the construction of an EMT/Quick Strike Facility, that meets the requirements of the Howard County Department of Fire and Rescue Services, within the multi-level public parking garage;
3. the construction of road improvements to, from, or in the Development District including the construction of a new road running south from Little Patuxent Parkway and east to Symphony Drive, improvements to Symphony Drive, improvements to Hickory Ridge, intersection improvements, and related storm water management improvements;
4. the installation of utilities, including water and sewage facilities; and
5. the construction, installation, acquisition and development of other related improvements as permitted by the Acts that are necessary for the completion of the foregoing for their intended public purposes.

EXHIBIT B

Howard County, Maryland Crescent Special Taxing District

Rate and Method of Apportionment of Special Taxes

EXHIBIT C

Howard County, Maryland Crescent Special Taxing District

Special Tax Report

BY THE COUNCIL

This Bill, having been approved by the Executive and returned to the Council, stands enacted on _____, 2016.

Jessica Feldmark, Administrator to the County Council

BY THE COUNCIL

This Bill, having been passed by the yeas and nays of two-thirds of the members of the Council notwithstanding the objections of the Executive, stands enacted on _____, 2016.

Jessica Feldmark, Administrator to the County Council

BY THE COUNCIL

This Bill, having received neither the approval nor the disapproval of the Executive within ten days of its presentation, stands enacted on _____, 2016.

Jessica Feldmark, Administrator to the County Council

BY THE COUNCIL

This Bill, not having been considered on final reading within the time required by Charter, stands failed for want of consideration on _____, 2016.

Jessica Feldmark, Administrator to the County Council

BY THE COUNCIL

This Bill, having been disapproved by the Executive and having failed on passage upon consideration by the Council stands failed on _____, 2016.

Jessica Feldmark, Administrator to the County Council

BY THE COUNCIL

This Bill, the withdrawal of which received a vote of two-thirds (2/3) of the members of the Council, is withdrawn from further consideration on _____, 2016.

Jessica Feldmark, Administrator to the County Council