

INTRODUCED _____
PUBLIC HEARING _____
COUNCIL ACTION _____
EXEC. ACTION _____
EFFECTIVE DATE _____

County Council Of Howard County, Maryland

2018 Legislative Session

Legislative Day No. 5

Bill No. 32-2018

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

AN ACT for the purpose of authorizing and empowering Howard County, Maryland to borrow money in the aggregate principal amount of up to \$3,000,000 on its full faith and credit, and issue and sell its bonds or other obligations therefor, to be used to pay costs of certain General County projects as more particularly described in the County's 2019 Capital Budget, and to pay costs of issuance of such bonds or other obligations; authorizing and empowering the County to issue bond anticipation notes or to enter into installment purchase agreements for payment of portions of such costs; and to levy taxes upon the assessable property within the County sufficient, together with amounts collected from the Howard County Economic Development Authority and other available funds, to pay the debt service on such obligations; and providing for and determining various matters in connection therewith.

Introduced and read first time _____, 2018. 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 _____, 2018.

By order _____
Jessica Feldmark, Administrator

This Bill was read the third time on _____, 2018 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 _____, 2018 at __ a.m./p.m.

By order _____
Jessica Feldmark, Administrator

Approved by the County Executive _____, 2018.

Allan H. Kittleman, County Executive

NOTE: [[text 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 In accordance with the provisions of Section 603 of the Charter of Howard County, Maryland
3 (the “Charter”), the County Executive has submitted a proposed Capital Budget for fiscal year 2019 to the
4 County Council of Howard County, Maryland, and, prior to the passage of this Act, the County Council
5 has adopted a Capital Budget for the fiscal year ending June 30, 2019 (the “Capital Budget”).

6 As a part of the Capital Budget for the fiscal year ending June 30, 2019, it is necessary that
7 Howard County, Maryland borrow a sum not exceeding \$3,000,000 to be used for payment of the costs of
8 certain general county capital projects specified in the 2019 Capital Budget (each a “Project”,
9 collectively, the “Projects”), which Projects are more particularly described in Appendix A attached
10 hereto and incorporated herein, and for payment of costs of issuance of any obligations issued to evidence
11 such borrowing.

12 **Now therefore, in accordance with the provisions of Article VI of the Charter of Howard**
13 **County, Maryland:**

14 **Section 1. Be it enacted by the County Council of Howard County, Maryland,** That Howard
15 County, Maryland (the “County”), is hereby authorized and empowered to borrow on its full faith and
16 credit, and issue and sell its bonds or other obligations therefor, at one time or from time to time, an
17 aggregate principal amount not exceeding \$3,000,000, the proceeds thereof to be used to finance and
18 refinance the Projects more particularly specified and described in Appendix A attached hereto and in the
19 Capital Budget; including for each Project, without limitation, the cost of planning, design, construction,
20 reconstruction, furnishing, equipping, improvements, renovations, remodeling, enlargements, engineering
21 services, architects services, surveys, landscaping, site development, evaluation studies, land acquisition
22 and related items, appurtenances and incidental activities.

23 Proceeds of any bonds or other obligations authorized by this Act may also be used to pay costs
24 of issuance of such bonds or other obligations.

25 **Section 2. And be it further enacted by the County Council of Howard County, Maryland,**
26 That, pursuant to and in accordance with Section 19-212 of the Local Government Article of the

1 Annotated Code of Maryland, as amended, the County is also authorized to issue bond anticipation notes
2 in anticipation of the issuance of the bonds or other obligations authorized by this Act and described in
3 Section 1 hereof, and all references to “bonds” or “obligations” shall include such bond anticipation
4 notes, unless the context clearly requires a contrary meaning. It is intended that the aggregate principal
5 amount of issued and outstanding bond anticipation notes when added to the aggregate principal amount
6 of issued and outstanding bonds or other obligations in anticipation of which such notes were issued, shall
7 not exceed the aggregate principal amount set forth in Section 1 of this Act at any time. The County will
8 agree in each ordinance described in Section 4 of this Act relating to any notes issued pursuant to this Act
9 to pay such notes and the interest and premium, if any, thereon from the proceeds of the bonds or other
10 obligations in anticipation of the sale of which such notes are issued and other available funds, and the
11 County will agree to issue such bonds or other obligations when, and as soon as, the reason for deferring
12 their issuance no longer exists.

13 **Section 3. And be it further enacted by the County Council of Howard County, Maryland,**
14 That, in connection with the acquisition of real property as part of a Project, the County may incur all or
15 any portion of the indebtedness authorized by this Act for such acquisition by entering into an installment
16 purchase agreement pursuant to and in accordance with Section 4.201A of the Howard County Code
17 (“Section 4.201A”) or any successor provisions of law in lieu of issuing bonds or other obligations for
18 such acquisition. The principal amount of any such installment purchase agreement shall not exceed the
19 lesser of (a) the maximum principal amount permitted by Section 4.201A or (b) the portion of the amount
20 to be borrowed for such Project (as set forth in Section 1 hereof) which relates to such acquisition. All
21 references to “bonds” or “obligations” in this Act shall include such installment purchase agreements,
22 unless the context clearly requires a contrary meaning.

23 **Section 4. And be it further enacted by the County Council of Howard County, Maryland,**
24 That the County Council of the County, by an ordinance or ordinances adopted from time to time in
25 accordance with Article VI of the Charter and other applicable provisions of law and the policies of the
26 County, shall provide for (a) the issuance and sale of, (b) the maximum principal amount, designation,

1 form, tenor and denomination or denominations of, (c) the dates of the first maturity (not more than two
2 years after the date of issue) and the last maturity (not more than 30 years after the date of issue) of, and
3 (d) the interest rate or rates per annum (or the method of determining such rate or rates) payable on, any
4 bonds or other obligations issued from time to time under this Act; and may by any such ordinance, or by
5 separate resolution, provide that the issue of bonds or other obligations hereby authorized be consolidated
6 with one or more other issues.

7 **Section 5. And be it further enacted by the County Council of Howard County, Maryland,**
8 That for the purpose of paying the principal of and interest on such bonds or other obligations as the same
9 shall become payable, the County Council of Howard County shall levy annually ad valorem taxes upon
10 the assessable property in the County sufficient, together with amounts collected from the Howard
11 County Economic Development Authority, to pay the principal of and interest on such bonds or other
12 obligations until all of such bonds or other obligations shall mature and be redeemed.

13 **Section 6. And be it further enacted by the County Council of Howard County, Maryland,**
14 That any bonds or other obligations issued from time to time under this Act are specifically exempt from
15 the provisions of Sections 19-205 and 19-206 of the Local Government Article of the Annotated Code of
16 Maryland, as amended, and any successor provision of law.

17 **Section 7. And be it further enacted by the County Council of Howard County, Maryland,**
18 That all bonds or other obligations authorized hereby shall be issued within four years from the date this
19 Act becomes effective. Notwithstanding the foregoing, if bond anticipation notes are issued within such
20 period in accordance with Section 2 hereof, the bonds or other obligations authorized hereby may be
21 issued until the final maturity date of such notes.

22 **Section 8. And be it further enacted by the County Council of Howard County, Maryland,**
23 That the County anticipates that a portion of the costs of some or all of the Projects may be paid prior to
24 the issuance of the bonds or other obligations authorized hereby. The amount of such costs so paid will
25 depend on various factors, including, without limitation, the timing and speed of progress on the Projects,

1 the availability of other funds to pay such costs on an interim basis, bond and money market conditions
2 and compliance with federal and State laws and regulations.

3 Accordingly, the County reasonably expects to reimburse costs of the Projects (as described
4 herein) with proceeds of the bonds or other obligations authorized hereby, such bonds or other obligations
5 to be issued by the County in the maximum principal amount of \$3,000,000.

6 **Section 9. And be it further enacted by the County Council of Howard County, Maryland,**

7 That this Act shall take effect sixty-one (61) days after its enactment.

General County Projects

Project Description	Amount to be Borrowed (Reauthorizations)	Amount to be Borrowed (New Authorizations)
C0362 FY2019 GATEWAY INNOVATION CENTER RENOVATION A project for renovation of the Gateway Building located at 6751 Columbia Gateway Drive to facilitate the implementation of the Gateway Innovation Center.	\$-	\$3,000,000
General County Projects – Reauthorizations/New Authorizations	<u>\$-0-</u>	<u>\$3,000,000</u>
TOTAL AMOUNT TO BE BORROWED:		<u>\$3,000,000</u>