

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

County Council Of Howard County, Maryland

2009 Legislative Session

Legislative Day No. 2

Bill No. 7-2009

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

AN ACT to authorize and empower Howard County, Maryland, to borrow up to \$2,180,000 on its full faith and credit, and issue and sell its bonds therefor, to be used to pay costs of Capital Project No. N-3960 (Robinson Property Nature Center) and costs of issuance of such bonds; 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 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 _____, 2009. Ordered posted and hearing scheduled.

By order _____
Stephen LeGendre, Administrator

Having been posted and notice of time & place of hearing & title of Bill having been published according to Charter, this Bill was read for a second time at a public hearing on _____, 2009.

By order _____
Stephen LeGendre, Administrator

This Bill was read the third time on _____, 2009 and Passed ____, Passed with amendments _____, Failed _____.

By order _____
Stephen LeGendre, Administrator

Sealed with the County Seal and presented to the County Executive for approval this __ day of _____, 2009 at __ a.m./p.m.

By order _____
Stephen LeGendre, Administrator

Approved by the County Executive _____, 2009.

Ken Ulman, County Executive

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

1 **Recitals**

2 In the Annual Budget and Appropriation Ordinance for Fiscal 2009, the County Council of Howard
3 County, Maryland (the "Council") adopted a Capital Budget for the fiscal year ending June 30, 2009 (the
4 "Capital Budget") and appropriated, as part of the Capital Budget, certain sums for Capital Projects Nos. N-
5 3105 (Meadowbrook Park), N-3107 (Rockburn Branch Park), N-3932 (Western Regional Park), and N-
6 3968 (Cedar Lane Athletic Field Improvements) (collectively, the "Transferor Projects").

7 On the date of final consideration hereof, but prior hereto, the Council has passed Transfer of
8 Appropriation Ordinance No. 2 – Fiscal 2009 (the "TAO"), which will, among other things, transfer
9 \$2,180,000 in bond funding from the Transferor Projects to Project No. N-3960 (Robinson Property Nature
10 Center), a project to design and construct a nature center and related site improvements to the former
11 Robinson property located at Cedar Lane and Harriet Tubman Lane (the "Project"), and the TAO is intended
12 to be presented to the County Executive for approval prior hereto.

13 As a part of the Capital Budget, as modified by the transfer of appropriation referred to
14 hereinabove, it is necessary that Howard County, Maryland borrow a sum not exceeding \$2,180,000, the
15 proceeds thereof to be used to pay a portion of the costs of the Project and costs of issuance of any
16 obligations issued to evidence such borrowing.

17 **Now therefore, in accordance with the provisions of Article VI of the Charter of Howard**
18 **County:**

19 **Section 1. Be it enacted by the County Council of Howard County, Maryland, That**
20 Howard County, Maryland (the "County"), is hereby authorized and empowered to borrow on its full faith
21 and credit, and issue and sell its bonds therefor, at one time or from time to time, an amount not exceeding
22 \$2,180,000, the proceeds thereof to be used for the payment of a portion of the costs of the Project;
23 including, without limitation, the cost of planning, design, construction, reconstruction, furnishing,
24 equipping, improvements, renovations, remodeling, enlargements, engineering services, architects services,
25 surveys, landscaping, site development, evaluation studies, land acquisition and related items, appurtenances
26 and incidental activities.

1 Proceeds of any bonds authorized by this Act may also be used to pay costs of issuance of such
2 bonds.

3 **Section 2. And be it further enacted by the County Council of Howard County, Maryland,**

4 That, pursuant to and in accordance with Article 31, Section 12 of the Annotated Code of Maryland, as
5 amended, the County is also authorized to issue bond anticipation notes in anticipation of the issuance of the
6 bonds authorized by this Act and described in Section 1 hereof, and all references to "bonds" or
7 "obligations" in this Act shall include such bond anticipation notes, unless the context clearly requires a
8 contrary meaning. It is intended that the aggregate principal amount of issued and outstanding bond
9 anticipation notes, when added to the aggregate principal amount of issued and outstanding bonds in
10 anticipation of which such notes were issued, shall not exceed the aggregate principal amount set forth in
11 Section 1 of this Act at any time. The County will agree in each ordinance described in Section 4 of this Act
12 relating to any notes issued pursuant to this Act to pay such notes and the interest and premium, if any,
13 thereon from the proceeds of the bonds in anticipation of the sale of which such notes are issued, and the
14 County will agree to issue such bonds when, and as soon as, the reason for deferring their issuance no longer
15 exists.

16 **Section 3. And be it further enacted by the County Council of Howard County, Maryland,**

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

1 **Section 4. And be it further enacted by the County Council of Howard County, Maryland,**

2 That the County Council, by an ordinance or ordinances adopted from time to time in accordance with
3 Article VI of the Charter of Howard County and other applicable provisions of law, shall provide for (a) the
4 issuance and sale of, (b) the maximum principal amount, designation, form, tenor and denomination or
5 denominations of, (c) the dates of the first maturity (not more than two years after the date of issue) and the
6 last maturity (not more than 25 years after the date of issue) of, and (d) the interest rate or rates per annum
7 (or the method of determining such rate or rates) payable on, any bonds or other obligations issued from
8 time to time under this Act; and may by any such ordinance, or by separate resolution, provide that the issue
9 of bonds or other obligations hereby authorized be consolidated with one or more other issues.

10 **Section 5. And be it further enacted by the County Council of Howard County, Maryland,**

11 That for the purpose of paying the principal of and interest on such bonds or other obligations as the same
12 shall become payable, the County Council shall levy annually ad valorem taxes upon the assessable property
13 in Howard County sufficient, together with other available funds, to pay the principal of and interest on such
14 bonds or other obligations until all of such bonds or other obligations shall mature and be redeemed.

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

16 That any bonds or other obligations issued from time to time under this Act are specifically exempt from the
17 provisions of Article 31, Sections 10 and 11 of the Annotated Code of Maryland, as amended, and any
18 successor provision of law.

19 **Section 7. And be it further enacted by the County Council of Howard County, Maryland,**

20 That all bonds or other obligations authorized hereby shall be issued within four years from the date this Act
21 becomes effective. Notwithstanding the foregoing, if bond anticipation notes are issued within such period
22 in accordance with Section 2 hereof and such notes have a stated maturity date after such expiration date,
23 the bonds authorized hereby may be issued until the stated maturity date of such notes.

24 **Section 8. And be it further enacted by the County Council of Howard County, Maryland,**

25 That the County anticipates that a portion of the costs of the Project may be paid prior to the issuance of the
26 bonds or other obligations authorized hereby. The amount of such costs so paid will depend on various

1 factors, including, without limitation, the timing and speed of progress on the Project, the availability of
2 other funds to pay such costs on an interim basis, bond and money market conditions and compliance with
3 federal and State laws and regulations.

4 Accordingly, the County reasonably expects to reimburse costs of the Project (as described herein)
5 with proceeds of the bonds or other obligations authorized hereby, such bonds or other obligations to be
6 issued by the County in the maximum principal amount of \$2,180,000.

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

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