

FINAL

COUNTY COUNCIL OF ANNE ARUNDEL COUNTY, MARYLAND

Legislative Session 2014, Legislative Day No. 4

Bill No. 9-14

Introduced by Mr. Grasso, Chairman
(by request of the County Executive)

By the County Council, February 18, 2014

Introduced and first read on February 18, 2014
Public Hearing set for and held on March 17, 2014
Bill Expires May 24, 2014

By Order: Elizabeth E. Jones, Administrative Officer

A BILL ENTITLED

1 AN ORDINANCE: concerning the authorization of the issuance, sale and delivery of
2 special obligation refunding bonds in an aggregate principal amount not to exceed
3 \$2,334,000 in one or more issues or series to be secured by taxes levied on the tax
4 increment on property in the Nursery Road Development District and by a guaranty
5 agreement provided by Anne Arundel County, Maryland to refund or otherwise retire
6 all or a portion of the outstanding principal amount of the Anne Arundel County,
7 Maryland Tax Increment Financing Bonds (Nursery Road Project), Series 2004 and
8 determining certain terms and provisions in connection with the issuance, sale and
9 payment of such bonds.

10
11 FOR the purpose of authorizing the issuance, sale and delivery by Anne Arundel County,
12 Maryland (the "County") of special obligation refunding bonds pursuant to Section
13 19-207 of the Local Government Article of the Annotated Code of Maryland (2013
14 Replacement Volume) (the "Refunding Act") and Sections 12-201 through 12-213,
15 inclusive, of the Economic Development Article of the Annotated Code of Maryland
16 (2008 Volume and 2013 Supplement) (the "Tax Increment Act"), in an aggregate
17 principal amount not to exceed \$2,334,000 to refund or otherwise retire all or a
18 portion of the outstanding principal amount of the Anne Arundel County, Maryland
19 Tax Increment Financing Bonds (Nursery Road Project), Series 2004 (the "2004
20 Bonds") in order to achieve debt service savings for the County in each year on a
21 direct comparison basis or present value basis; providing that special obligation
22 refunding bonds may be issued from time to time; providing for the payment of costs
23 and expenses related to the issuance of the special obligation refunding bonds;
24 making certain findings and determinations, among others, concerning the public
25 benefit and purpose of such special obligation refunding bonds; providing that such
26 special obligation refunding bonds shall be payable from the amounts levied on the
27 tax increment on property in the Nursery Road Development District and deposited in

1 the Nursery Road Development District Tax Increment Fund (the "Special Fund")
2 created pursuant to Resolution No. 12-84 passed by the County Council of the County
3 (the "County Council") on April 11, 1984 and approved by the County Executive on
4 April 16, 1984 ("Resolution No. 12-84") and Resolution No. 44-84 passed by the
5 County Council on June 27, 1984 and approved by the County Executive on June 28,
6 1984 ("Resolution No. 44-84", and together with Resolution No. 12-84, the
7 "Development District Resolutions"); providing that such special obligation
8 refunding bonds shall further be secured by a guaranty agreement provided by the
9 County that obligates the County to timely pay the principal of and interest on the
10 special obligation refunding bonds; pledging the full faith and credit of the County,
11 subject to the limitation on the tax levy set out in Section 710(d) of the County
12 Charter, to make payments under the guaranty agreement in the event that sufficient
13 funds for the timely payment of principal of and interest on the special obligation
14 refunding bonds when due are not available from the Special Fund or otherwise;
15 covenanting that, in each tax year during which any such payments of principal of or
16 interest on the special obligation refunding bonds are required to be paid under the
17 guaranty agreement, the County will appropriate sufficient funds in the Current
18 Expense Budget to pay such principal and interest due in such tax year, and further
19 covenanting that, to the extent any such appropriation is not offset by funds from
20 other sources or revenues, the County will, subject to the limitation on the tax levy set
21 out in Section 710(d) of the County Charter, fund any such appropriation by the levy
22 of ad valorem taxes on real estate, tangible personal property and intangible personal
23 property subject to taxation by the County, and in addition, on such other intangible
24 property as may be subject to taxation by the County within limitations prescribed by
25 law; providing that the special obligation refunding bonds may be sold at private
26 (negotiated) sale, competitive sale or by direct placement; providing that the County
27 Executive may determine the terms and conditions for redemption and retirement of
28 the 2004 Bonds; authorizing the County Executive to specify, prescribe, determine,
29 provide for and approve certain details, forms, documents and procedures in
30 connection with such special obligation refunding bonds and any other matters
31 necessary or desirable in connection with the authorization, issuance, sale and
32 payment of such special obligation refunding bonds and such other documents as may
33 be necessary and desirable to effectuate the issuance, sale and delivery of such special
34 obligation refunding bonds; and generally providing for, and determining various
35 matters in connection with, the issuance, sale, delivery and payment of such special
36 obligation refunding bonds.

37 38 RECITALS

39
40 Resolution No. 12-84 passed by the County Council (the "County Council") of Anne
41 Arundel County, Maryland (the "County") on April 11, 1984 and approved by the
42 County Executive of the County (the "County Executive") on April 16, 1984
43 ("Resolution No. 12-84") and Resolution No. 44-84 passed by the County Council on
44 June 27, 1984 and approved by the County Executive on June 28, 1984 ("Resolution No.
45 44-84," and together with Resolution No. 12-84, the "Development District Resolutions")
46 created the Nursery Road Development District (the "District") and the special fund
47 known as the "Nursery Road Development District Tax Increment Fund" (the
48 "Development District Special Fund").

1 The County issued its \$2,570,000 Anne Arundel County, Maryland Tax Increment
2 Financing Bonds (Nursery Road Project), Series 2004 dated as of May 11, 2004 (the
3 "2004 Bonds") pursuant to (i) Sections 12-201 through 12-213, inclusive, of the
4 Economic Development Article of the Annotated Code of Maryland, as amended
5 (formerly codified as Sections 14-201 through 14-214 of Article 41 of the Annotated
6 Code of Maryland) (the "Tax Increment Act"), (ii) the Development District Resolutions,
7 (iii) Bill No. 10-04 which was passed by the County Council on March 15, 2004 and
8 approved by the County Executive and enacted on March 18, 2004 ("Bill No. 10-04," and
9 together with the Development District Resolutions, the "Prior Ordinance"), and (iv) the
10 Indenture of Trust dated as of May 1, 2004, by and between the County and
11 Manufacturers and Traders Trust Company, as trustee (the "2004 Indenture").
12

13 The 2004 Bonds were used to finance a portion of the costs of certain infrastructure
14 improvements relating to the District, including Nursery Road frontage improvements,
15 including widening and storm drainage, the construction of Progress Drive, the
16 installation of a traffic signal at the intersection of Progress Drive and Gloria Avenue
17 with Nursery Road along with related appurtenances and associated widening, public
18 water and sanitary sewer improvements, improvements required to the ramp from the
19 Baltimore Washington Parkway to Nursery Road, and traffic signal improvements and
20 related appurtenances at the interchange of the Baltimore Washington Parkway and
21 Nursery Road.
22

23 The 2004 Bonds are secured by the proceeds of tax collections arising from the
24 taxation of the increase, if any, in the appraised value of real property located in the
25 District since January 1, 1983. The 2004 Bonds are further secured by a guaranty
26 agreement provided by the County that obligates the County to timely pay the principal
27 of and interest on the 2004 Bonds
28

29 The County has determined that refunding or otherwise retiring all or a portion of the
30 outstanding principal amount of the 2004 Bonds in the manner provided for in this
31 Ordinance will realize debt service savings for the County. The County has therefore
32 determined to authorize the issuance of special obligation refunding bonds the proceeds
33 of which will be used to refund or otherwise retire all or a portion of the outstanding
34 aggregate principal amount of the 2004 Bonds to achieve savings on a direct comparison
35 basis. The County also has determined to provide for repayment of such special
36 obligation refunding bonds from the proceeds of tax collections arising from the taxation
37 of the increase, if any, in the appraised value of real property located in the District since
38 January 1, 1983. In addition, the County has determined to further secure repayment by
39 providing a County guarantee of repayment of the principal of and interest on the special
40 obligation refunding bonds, as further provided in this Ordinance.
41

42 SECTION 1. *Be it enacted by the County Council of Anne Arundel County,*
43 *Maryland, That:*
44

45 (1) Defined terms used in this Ordinance shall have the meanings given such words
46 in the Recitals set forth above or otherwise, unless the context clearly requires a contrary
47 meaning.
48

49 In addition, the following words shall have the meanings specified:

1
2 A. "Assessable Base" shall have the meaning set forth in Section 12-201(c) of the
3 Tax Increment Act;

4
5 B. "Assessment Ratio" shall have the meaning set forth in Section 12-201(d) of
6 the Tax Increment Act;

7
8 C. "Bonds" means the 2004 Bonds and the Refunding Bonds;

9
10 D. "Original Taxable Value" shall have the meaning set forth in Section 12-
11 201(l) of the Tax Increment Act;

12
13 E. "Principal Amount" means the bona fide offering price of the Refunding
14 Bonds to the public;

15
16 F. "Refunding Act" shall mean Section 19-207 of Local Government Article of
17 the Annotated Code of Maryland, as amended (2013 Replacement Volume);

18
19 G. "Refunding Bonds" shall mean the special obligation refunding bonds
20 authorized in Section 2 of this Ordinance;

21
22 H. "Tax Increment" shall have the meaning set forth in Section 12-201(n) of the
23 Tax Increment Act and means for any Tax Year the amount by which the Assessable
24 Base as of January 1 preceding that Tax Year exceeds the Original Taxable Value divided
25 by the Assessment Ratio used to determine the Original Taxable Value; and

26
27 I. "Tax Year" shall have the meaning set forth in Section 12-201(o) of the Tax
28 Increment Act.

29
30 The Tax Increment shall be determined and the proceeds of the levy on the Tax
31 Increment shall be applied to the payment of the Refunding Bonds in accordance with the
32 Tax Increment Act as in effect on the date of enactment of this Ordinance. The
33 provisions of this Ordinance shall govern in the event of any inconsistency between this
34 Ordinance and any previously adopted or enacted resolution or ordinance.

35
36 (2) Acting pursuant to the Tax Increment Act and the Prior Ordinance, it is hereby
37 found and determined that the issuance Refunding Bonds for the purpose of refunding or
38 otherwise retiring all or a portion of the outstanding aggregate principal amount of the
39 2004 Bonds to realize debt service savings on a direct comparison basis accomplishes the
40 public purposes of the Refunding Act and is in furtherance of the purposes of the Tax
41 Increment Act. For the purposes of this Ordinance, the issuance of Refunding Bonds
42 shall be deemed to realize debt service savings on a direct comparison basis when the
43 debt service in each Tax Year for the Refunding Bonds together with the debt service on
44 any 2004 Bonds not refunded, defeased or otherwise retired in connection with the
45 issuance of the Refunding Bonds is, in the aggregate, less than or equal to the debt
46 service on the 2004 Bonds in each Tax Year determined immediately before the issuance
47 of the Refunding Bonds.
48

1 (3) Pursuant to the provisions of the Prior Ordinance and in accordance with the Tax
2 Increment Act, so long as the Bonds, including Refunding Bonds, remain outstanding, the
3 County shall deposit into the Development District Special Fund all real property taxes
4 received by the County for any Tax Year after the effective date of the Prior Ordinance
5 equal to that portion of the taxes payable to the County representing the levy on the Tax
6 Increment that would normally be paid to the County. Notwithstanding the preceding
7 sentence, the County Council, pursuant to an ordinance, may provide for the use of
8 certain money in the Development District Special Fund in compliance with Section 5 of
9 Resolution No. 44-84 and the related provisions of the Tax Increment Act. Money in the
10 Development District Special Fund shall be pledged to the payment of the Bonds,
11 including the Refunding Bonds, other than those amounts withdrawn as permitted by the
12 preceding sentence; provided, however, that the money in the Development District
13 Special Fund may also be pledged by the County for the payment of additional bonds
14 issued by the County under the Tax Increment Act and other authority, if applicable,
15 relating to the public infrastructure improvements financed by the 2004 Bonds or other
16 projects subject to the provisions of the indenture under which the Bonds, including the
17 Refunding Bonds, will be issued. The County hereby covenants to comply with Section
18 6 of Resolution No. 44-84 while any Bonds, including Refunding Bonds, remain
19 outstanding.
20

21 (4) In accordance with Section 19-103 of the Local Government Article of the
22 Annotated Code of Maryland, as amended (2013 Replacement Volume) and other
23 applicable provisions of law, the Refunding Bonds shall be further secured by a guaranty
24 agreement provided by the County that obligates the County to timely pay the principal
25 of and interest on the Refunding Bonds in the event that sufficient funds for the timely
26 payment of principal of and interest on the Refunding Bonds are not available from the
27 Development District Special Fund or otherwise. The obligation of the County to make
28 such payments of principal and interest pursuant to the guaranty agreement shall be
29 deemed and shall constitute an unconditional general obligation of the County, to the
30 payment of which, both principal and interest, its full faith and credit are pledged, subject
31 to the limitation on the tax levy set out in Section 710(d) of the County Charter. The
32 County hereby covenants that, in each Tax Year during which any principal of or interest
33 on the Refunding Bonds are required to be paid under the guaranty agreement, it will
34 appropriate sufficient funds in each Current Expense Budget to pay the principal of and
35 interest on the Refunding Bonds due in such Tax Year. The County hereby further
36 covenants that, to the extent any such appropriation is not offset by funds from other
37 sources or revenues, it will, subject to the limitation on the tax levy set out in Section
38 710(d) of the County Charter, fund any such appropriation by the levy of ad valorem
39 taxes on real estate, tangible personal property and intangible personal property subject to
40 taxation by the County, and in addition, on such other intangible property as may be
41 subject to taxation by the County within limitations prescribed by law.
42

43 SECTION 2. *And be it further enacted*, That, acting pursuant to the Refunding Act
44 and the Tax Increment Act, the issuance and sale of the Refunding Bonds in an aggregate
45 Principal Amount not to exceed \$2,334,000 is hereby authorized for the purpose of
46 refunding or otherwise retiring all or a portion of the outstanding aggregate principal
47 amount of the 2004 Bonds to realize debt service savings on a direct comparison basis, as
48 specified in Section 1(2) above. The proceeds of the Refunding Bonds will be utilized
49 solely to refund or otherwise retire all or a portion of the outstanding principal amount of

1 the 2004 Bonds, and to pay costs and expenses related to the issuance of the Refunding
2 Bonds as permitted pursuant to the provisions of the Refunding Act and this Ordinance.
3 The Refunding Bonds may be issued pursuant to the provisions of an indenture at any
4 time or from time to time in one or more issues or series, and each issue or series of the
5 Refunding Bonds shall be identified by the year of issue or by some other or additional
6 appropriate designation. The Refunding Bonds will be payable from the amounts levied
7 and deposited in the Development District Special Fund created by the Development
8 District Resolutions. In addition, the Refunding Bonds shall be further secured by a
9 guaranty agreement provided by the County that obligates the County to timely pay the
10 principal of and interest on the Refunding Bonds in the event that sufficient funds for the
11 timely payment of principal and interest on the Refunding Bonds are not available from
12 the Development District Special Fund or otherwise, as further described in Section 1(4)
13 above.

14
15 The aggregate Principal Amount of the Refunding Bonds issued from time to time
16 hereunder to refund or otherwise retire 2004 Bonds shall not exceed 120% of the
17 principal amount of 2004 Bonds so refunded or retired.

18
19 Prior to the issuance of Refunding Bonds, the County Executive shall execute and
20 deliver a certification establishing that the issuance of the Refunding Bonds will realize
21 debt service savings on a direct comparison basis as specified on Section 1(2) above. In
22 making this certification, the County Executive may rely on the advice of the County's
23 financial advisor regarding such determination.

24
25 SECTION 3. *And be it further enacted*, That the Refunding Bonds shall be executed
26 in the name of the County and on its behalf by the County Executive, by manual or
27 facsimile signature and the corporate seal of the County or a facsimile thereof shall be
28 impressed or otherwise reproduced thereon and attested by the Administrative Officer to
29 the County Council or other official authorized by law by manual or facsimile signature
30 and the Refunding Bonds shall be authenticated by the manual or facsimile signature of
31 the Chief Administrative Officer or her authorized deputy as may be required by law. The
32 guaranty agreement to be entered into by the County (the "Guaranty Agreement") shall
33 be executed in the name of the County and on its behalf by the County Executive by
34 manual signature, and the corporate seal of the County or a facsimile thereof shall be
35 impressed or otherwise reproduced thereon and attested by the Administrative Officer to
36 the County Council or other official authorized by law or by manual signature. The
37 Guaranty Agreement shall be appended to each Refunding Bond. The Indenture
38 (hereinafter defined), and, where applicable, all other documents as the County Executive
39 deems necessary to effectuate the issuance, sale and delivery of the Refunding Bonds of
40 any series, shall be executed in the name of the County and on its behalf by the County
41 Executive by manual signature, and the corporate seal of the County or a facsimile
42 thereof shall be impressed or otherwise reproduced thereon and attested by the
43 Administrative Officer to the County Council or other official authorized by law or by
44 manual signature. If any officer whose signature or countersignature or a facsimile of
45 whose signature or countersignature appears on the Refunding Bonds of any series or any
46 of the aforesaid documents ceases to be such officer before the delivery of the Refunding
47 Bonds of such series or any of the other aforesaid documents, such signature or
48 countersignature or such facsimile shall nevertheless be valid and sufficient for all
49 purposes, the same as if such officer had remained in office until delivery. The County

1 Executive, the Administrative Officer to the County Council and other officials of the
2 County are hereby authorized and empowered to do all such acts and things and execute
3 such documents and certificates as the County Executive may determine to be necessary
4 to carry out and comply with the provisions of this Ordinance, subject to the limitations
5 set forth in the Refunding Act, the Tax Increment Act and this Ordinance.
6

7 SECTION 4. *And be it further enacted*, That:
8

9 (1) The Refunding Bonds shall be sold at private (negotiated) sale, and such
10 procedure is hereby determined to be in the public interest. Notwithstanding the
11 foregoing, if the County Executive, or the Chief Administrative Officer of the County if
12 authorized by the County Executive, subsequently determines that it is in the best
13 interests of the County to sell any or all of the Refunding Bonds after first soliciting
14 competitive bids at public sale, then the County Executive or the Chief Administrative
15 Officer of the County, as the case may be, may sell such Refunding Bonds in such
16 manner in accordance with such procedures as she shall deem appropriate; provided,
17 however, that such procedures shall be substantially similar to procedures for the
18 competitive sale of County general obligation bonds set forth in Section 5 of Bill No. 63-
19 13 passed by the County Council on September 3, 2013, approved by the County
20 Executive on September 18, 2013, and effective November 2, 2013.
21

22 (2) The Refunding Bonds issued hereunder are hereby specifically exempted from the
23 provisions of Sections 19-205 and 19-206 of the Local Government Article of the
24 Annotated Code of Maryland (2013 Replacement Volume).
25

26 SECTION 5. *And be it further enacted*, That, subject to the provisions of this
27 Ordinance, the County Executive by or pursuant to executive order:
28

29 (1) shall prescribe the form, tenor, terms and conditions of and security for the
30 Refunding Bonds;
31

32 (2) shall prescribe the principal amounts, rate or rates of interest, which shall not
33 exceed seven percent (7%) per annum, premiums, if any, denominations, date, maturity
34 or maturities (within the limits prescribed in the Refunding Act, the Tax Increment Act
35 and this Ordinance), and the time and place or places of payment of the Refunding
36 Bonds, and the terms and conditions and details under which the Refunding Bonds may
37 be called for redemption prior to their stated maturities;
38

39 (3) may appoint bond counsel, a verification agent, an escrow agent and a financial
40 advisor and, if necessary, may appoint a trustee, a bond registrar and a paying agent or
41 agents for the Refunding Bonds;
42

43 (4) as applicable, may appoint a bank or other financial institution to act as escrow
44 deposit agent under an escrow deposit agreement;
45

46 (5) as applicable, may determine the terms and conditions of the redemption of all or
47 any portion of the 2004 Bonds, including the redemption dates and redemption premiums
48 to be paid for all or any portion of the 2004 Bonds, and the manner of investment of the

1 proceeds of the Refunding Bonds and other funds to provide for the payment and
2 defeasance of the 2004 Bonds;

3
4 (6) as applicable, shall approve the form and contents of, and execute and deliver
5 (where applicable), an escrow deposit agreement providing for the payment and
6 refunding of the 2004 Bonds;

7
8 (7) shall approve the form and contents of, and execute and deliver (where
9 applicable), any indenture of trust between the County and a corporate trustee (which
10 may be in the form of a supplement to the 2004 Indenture) (the "Indenture"), the
11 Guaranty Agreement and such other documents to which the County is a party and which
12 may be necessary to effectuate the issuance, sale and delivery of the Refunding Bonds;

13
14 (8) may select an investment bank or banks or other financial institution to purchase
15 and underwrite the sale of the Refunding Bonds;

16
17 (9) may prepare and distribute both a preliminary and a final official statement or
18 other similar offering document in connection with the sale of the Refunding Bonds, if
19 such preliminary official statement and final official statement or other similar offering
20 document are determined to be necessary or desirable for the sale of the Refunding
21 Bonds;

22
23 (10) may execute and deliver a contract or contracts for the purchase and sale of the
24 Refunding Bonds (or any portion thereof) in form and content satisfactory to the County
25 Executive;

26
27 (11) shall determine the time of execution, issuance, sale and delivery of the
28 Refunding Bonds and prescribe any and all other details of the Refunding Bonds;

29
30 (12) shall provide for the direct or indirect payment of all costs, fees and expenses
31 incurred by or on behalf of the County in connection with the issuance, sale and delivery
32 of the Refunding Bonds, including (without limitation) costs of printing (if any) and
33 issuing the Refunding Bonds, legal expenses (including the fees of bond counsel) and
34 compensation to any person performing services by or on behalf of the County in
35 connection therewith; and

36
37 (13) shall do any and all things necessary, proper or expedient in connection with the
38 issuance, sale and delivery of the Refunding Bonds in order to accomplish the legislative
39 policy of the Refunding Act and the Tax Increment Act, and the public purposes of this
40 Ordinance, subject to the limitations set forth in the Refunding Act and the Tax
41 Increment Act, and any limitations prescribed by this Ordinance.

42
43 This delegation of authority to the County Executive is subject to her discretion and
44 to the extent she does not exercise such discretion pursuant to the provisions of this
45 Ordinance, neither such officer nor the County shall be subject to any liability.

46
47 SECTION 6. *And be it further enacted*, That the provisions hereinafter set forth in
48 Paragraphs (1), (2), (3), (4) and (5) of this Section shall be applicable with respect to the

1 Refunding Bonds issued and sold hereunder on the basis that the interest on the
2 Refunding Bonds will be excludable from gross income for federal income tax purposes.
3

4 (1) The County Executive shall be the officer of the County responsible for the
5 issuance of any Refunding Bonds hereunder within the meaning of the Arbitrage
6 Regulations (defined herein). The County Executive shall also be the officer of the
7 County responsible for the execution and delivery (on the date of issuance of the
8 Refunding Bonds) of a certificate of the County (the "Section 148 Certificate") which
9 complies with the requirements of Section 148 of the Internal Revenue Code of 1986, as
10 amended ("Section 148"), and the applicable regulations thereunder (the "Arbitrage
11 Regulations"), and such official is hereby directed to execute the Section 148 Certificate
12 and to deliver the same to bond counsel on the date of the issuance of the Refunding
13 Bonds.
14

15 (2) The County shall set forth in the Section 148 Certificate its reasonable
16 expectations as to relevant facts, estimates and circumstances relating to the use of the
17 proceeds of the Refunding Bonds, or of any moneys, securities or other obligations to the
18 credit of any account of the County which may be deemed to be proceeds of the
19 Refunding Bonds pursuant to Section 148 or the Arbitrage Regulations (collectively,
20 "Bond Proceeds"). The County covenants that the facts, estimates and circumstances set
21 forth in the Section 148 Certificate will be based on the County's reasonable expectations
22 on the date of issuance of the Refunding Bonds and will be, to the best of the certifying
23 officials, knowledge, true and correct as of that date.
24

25 (3) The County covenants and agrees with each of the holders of any of the
26 Refunding Bonds that it will not make, or (to the extent that it exercises control or
27 direction) permit to be made, any use of the Bond Proceeds which would cause the
28 Refunding Bonds to be "arbitrage bonds" within the meaning of Section 148 and the
29 Arbitrage Regulations which are applicable to the Refunding Bonds on the date of
30 issuance of the Refunding Bonds and which may subsequently lawfully be made
31 applicable to the Refunding Bonds.
32

33 (4) The County further covenants that it shall make such use of the proceeds of the
34 Refunding Bonds, regulate the investment of the proceeds thereof, and take other and
35 further actions as may be required to maintain the excludability from gross income for
36 federal income tax purposes of interest on the Refunding Bonds. All officers, employees
37 and agents of the County are hereby authorized and directed to take such actions, and to
38 provide such certifications of facts and estimates regarding the amount and use of the
39 proceeds of the Refunding Bonds, as may be necessary or appropriate from time to time
40 to comply with, or to evidence the County's compliance with, the covenants set forth in
41 this Section.
42

43 (5) The County Executive, on behalf of the County, may make such covenants or
44 agreements in connection with the issuance of Refunding Bonds issued hereunder as she
45 shall deem advisable in order to assure the registered owners of such Refunding Bonds
46 that interest thereon shall be and remain excludable from gross income for federal income
47 tax purposes, and such covenants or agreements shall be binding on the County so long as
48 the observance by the County of any such covenants or agreements is necessary in
49 connection with the maintenance of the exclusion of the interest on such Refunding

1 Bonds from gross income for federal income tax purposes. The foregoing covenants and
2 agreements may include such covenants or agreements on behalf of the County regarding
3 compliance with the provisions of the Internal Revenue Code of 1986, as amended, as the
4 County Executive shall deem advisable in order to assure the registered owners of such
5 Refunding Bonds that the interest thereon shall be and remain excludable from gross
6 income for federal income tax purposes, including (without limitation) covenants or
7 agreements relating to the investment of the proceeds of such Refunding Bonds, the
8 payment of rebates (or payments in lieu of rebate) to the United States, limitations on the
9 times within which, and the purpose for which, such proceeds may be expended, or the
10 use of specified procedures for accounting for and segregating such proceeds.

11
12 (6) Notwithstanding anything in this Ordinance to the contrary, Refunding Bonds
13 issued and sold hereunder may be issued and sold on the basis that the interest on such
14 Refunding Bonds will not be excludable from gross income for federal income tax
15 purposes.

16
17 SECTION 7. *And be it further enacted,* That, following the execution and delivery
18 of any series of Refunding Bonds, the County Executive, or the Controller of the County,
19 if authorized by the County Executive, shall report the terms thereof in writing at the next
20 meeting of the County Council.

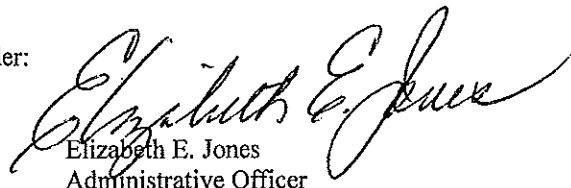
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22 SECTION 8. *And be it further enacted,* That the provisions of this Ordinance are
23 severable, and if any provision, sentence, clause, paragraph or part hereof is held or
24 determined to be illegal, invalid or unconstitutional or inapplicable to any person or
25 circumstances, such illegality, invalidity or unconstitutionality or inapplicability shall not
26 affect or impair any of the remaining provisions, sentences, clauses, paragraphs or parts
27 of this Ordinance or their application to other persons or circumstances. It is hereby
28 declared to be the legislative intent that this Ordinance would have been passed if such
29 illegal, invalid, unconstitutional or inapplicable provision, sentence, clause, paragraph or
30 part had not been included herein, and if the person or circumstances to which this
31 Ordinance or any part hereof are inapplicable had been specifically exempted herefrom.
32 Without limiting the foregoing, it is hereby further declared to be the legislative intent
33 that the Guaranty Agreement shall be a fully enforceable obligation of the County
34 notwithstanding any illegality, invalidity or other defect relating to the levy on the Tax
35 Increment to provide for the payment of the Refunding Bonds.

36
37 SECTION 9. *And be it further enacted,* That by the enactment of this Ordinance, the
38 County has complied with the provisions of the Tax Increment Act, including but not
39 limited to Sections 12-203, 12-208(c) and 12-208(d) of the Tax Increment Act.

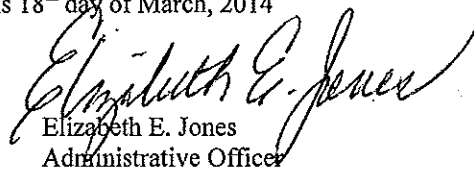
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41 SECTION 10. *And be it further enacted,* That this Ordinance shall take effect 45
42 days from the date it becomes law.

READ AND PASSED this 17th day of March, 2014


By Order:


Elizabeth E. Jones
Administrative Officer

PRESENTED to the County Executive for her approval this 18th day of March, 2014


Elizabeth E. Jones
Administrative Officer

APPROVED AND ENACTED this 25 day of March, 2014


Laura Neuman
County Executive

EFFECTIVE DATE: May 9, 2014

I HEREBY CERTIFY THAT THIS IS A TRUE AND CORRECT COPY OF BILL NO.
9-14 THE ORIGINAL OF WHICH IS RETAINED IN THE FILES
OF THE COUNTY COUNCIL.


Elizabeth E. Jones
Administrative Officer