

PROPOSED

COUNTY COUNCIL OF ANNE ARUNDEL COUNTY, MARYLAND

Legislative Session 2022, Legislative Day No. 9

Bill No. 35-22

Introduced by Ms. Rodvien, Chair
(by request of the County Executive)

By the County Council, April 18, 2022

Introduced and first read on April 18, 2022
Public Hearing set for May 16, 2022
Bill Expires July 22, 2022

By Order: Laura Corby, Administrative Officer

A BILL ENTITLED

1 AN ORDINANCE concerning: Gibson Island Special Community Benefit District –
2 Approval of Loan and Assignment Agreement
3

4 FOR the purpose of obligating the County to levy the special tax known as the special
5 community benefit assessment on the Gibson Island Special Community Benefit
6 District in an amount sufficient to repay a loan from M&T Bank to the Gibson Island
7 Corporation in each of up to ten (10) fiscal years during the term of the loan.
8

9 WHEREAS, the Gibson Island Special Community Benefit District has been duly
10 formed and created, pursuant to procedures set forth in Anne Arundel County Code,
11 Article 4, Title 7; and
12

13 WHEREAS, pursuant to § 4-7-204(aa)(2) of the County Code, the purposes of the
14 Gibson Island Special Community Benefit District include “construction,
15 maintenance, and repair of non-County-owned roads, streets, causeways, alleys,
16 sidewalks, street or road signs, street or road lights, drainage ditches, storm drains,
17 and culverts; shore erosion control, prevention, protection, and repair; acquisition,
18 improvement, maintenance, and construction of community owned real and
19 personal property;...and the administrative expenses incidental to carrying out
20 these purposes, including repayment of any loan, interest thereon, and any
21 necessary insurance costs”; and
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23 WHEREAS, the Gibson Island Corporation (the “Corporation”) is the civic or
24 community association that meets the requirements of § 4-7-101(d) that administers
25 the District; and
26

27 WHEREAS, the Corporation is entering into a loan agreement with M&T Bank in
28 the amount of \$11,450,000, with a term of ten (10) years, to be used to refinance

1 an existing loan for the construction of community-owned facilities (a boat house,
2 guest cottages, and a club house) on community-owned property, previously
3 approved by Bill Nos. 11-15 and 52-16, and to fund repairs and improvements to a
4 non-County-owned causeway (the “Loan”); and

5
6 WHEREAS, to enable the Corporation to obtain the Loan from M&T Bank by
7 providing a source of funds for repayment of the Loan, the County is undertaking
8 the obligation set forth in this Ordinance; now, therefore,

9

10 SECTION 1. *Be it enacted by the County Council of Anne Arundel County, Maryland,*
11 That the County shall be obligated to levy the special tax known as the special community
12 benefit assessment on the Gibson Island Special Community Benefit District in an amount
13 sufficient to repay the Loan from M&T Bank to Gibson Island Corporation in each of up
14 to ten (10) fiscal years during the term of the Loan, beginning in the County’s Fiscal Year
15 2023.

16

17 SECTION 2. *And be it further enacted,* That the County undertakes no obligation with
18 regard to the Loan except as expressly described in this Ordinance, is neither a co-obligor
19 nor guarantor of the Loan, and does not commit the full faith and credit of the County to
20 repayment of the Loan.

21

22 SECTION 3. *And be it further enacted,* That the County Executive is hereby authorized
23 to enter into such other and further agreements with the Corporation and M&T Bank as are
24 necessary to disburse directly to M&T Bank such amounts of the special community
25 benefit assessment levied on the Gibson Island Special Community Benefit District as are
26 collected by the County and are necessary to repay the Loan consistent with this Ordinance.

27

28 SECTION 4. *And be it further enacted,* That this Ordinance shall take effect 45 days
29 from the date it becomes law.