

PROPOSED

COUNTY COUNCIL OF ANNE ARUNDEL COUNTY, MARYLAND

Legislative Session 2025, Legislative Day No. 18

Bill No. 83-25

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

By the County Council, October 6, 2025

Introduced and first read on October 6, 2025
Public Hearing set for November 3, 2025
Bill Expires January 9, 2026

By Order: Kaley Schultze, Administrative Officer

A BILL ENTITLED

1 AN ORDINANCE concerning the authorization of the issuance, sale and delivery by Anne
2 Arundel County, Maryland (the “County”) from time to time of special taxing district
3 refunding bonds in an aggregate principal amount not to exceed \$12,360,000 to be
4 secured by special taxes to refund all or a portion of the County’s Special Obligation
5 Bonds (Arundel Gateway Project), Series 2014 (Taxable); and the determination of
6 certain terms and provisions in connection with the issuance, sale and payment of such
7 bonds
8

9 FOR the purpose of authorizing the issuance, sale and delivery by the County from time to
10 time pursuant to Sections 21-501 through 21-523, inclusive, of the Local Government
11 Article of the Annotated Code of Maryland (2013 Replacement Volume and 2024
12 Supplement), Sections 4-8-101 through 4-8-106, inclusive, of the Anne Arundel
13 County Code (2005, as amended) (together, the “Special Taxing District Act”) and
14 Section 19-207 of the Local Government Article of the Annotated Code of Maryland
15 (2013 Replacement Volume and 2024 Supplement) (the “Refunding Act”) and this
16 Ordinance, of special taxing district refunding bonds in an aggregate principal amount
17 not to exceed \$12,360,000 (the “Refunding Bonds”) to refund all or a portion of the
18 County’s Special Obligation Bonds (Arundel Gateway Project), Series 2014 (Taxable)
19 in order to achieve debt service savings for the County in each year on a direct
20 comparison basis; making certain findings and determinations, among others,
21 concerning the public benefit and purpose of the Refunding Bonds; providing that the
22 Refunding Bonds shall be payable from special taxes levied and collected from certain
23 real and personal property located in the Arundel Gateway Special Taxing District (the
24 “Arundel Gateway Special Tax”) and deposited in the Arundel Gateway Special Taxing
25 District Fund created pursuant to Bill No. 16-12, adopted by the County Council of the
26 County (the “County Council”) on March 19, 2012, approved by the County Executive
27 of the County (the “County Executive”) on March 26, 2012, and effective, by its terms,
28 on May 10, 2012 (“Bill No. 16-12”); providing that the Refunding Bonds shall not

1 constitute a general obligation debt of the County or a pledge of the County's full faith
2 and credit or taxing power other than the Arundel Gateway Special Tax pursuant to the
3 Special Taxing District Act, Bill No. 16-12 and this Ordinance; providing that the
4 Refunding Bonds may be sold at private (negotiated) sale; providing for the creation of
5 a debt service reserve fund for the Refunding Bonds, if deemed necessary at the
6 recommendation of the financial advisor to the County or the underwriter for the
7 Refunding Bonds, and the payment of costs and expenses related to the issuance of the
8 Refunding Bonds; authorizing the County Executive to specify, prescribe, determine,
9 provide for and approve certain details, forms, documents and procedures in connection
10 with the Refunding Bonds issued hereunder and any other matters necessary or
11 desirable in connection with the authorization, issuance, sale and payment of the
12 Refunding Bonds; authorizing the County Executive to take certain actions, execute
13 certain documents and make certain commitments on behalf of the County in
14 connection with the issuance, sale and delivery of the Refunding Bonds; and generally
15 providing for and determining various matters in connection with the issuance, sale,
16 delivery and payment of the Refunding Bonds.

17 18 RECITALS

19
20 Pursuant to Sections 21-501 through 21-523, inclusive, of the Local Government
21 Article of the Annotated Code of Maryland (2013 Replacement Volume and 2024
22 Supplement) and Sections 4-8-101 through 4-8-106, inclusive, of the Anne Arundel
23 County Code (2005, as amended) (together, the "Special Taxing District Act") and Bill
24 No. 16-12, passed by the County Council of the County (the "County Council") on
25 March 19, 2012, approved by the County Executive of the County (the "County
26 Executive") and enacted on March 26, 2012, and effective May 10, 2012, the County
27 created the Arundel Gateway Special Taxing District in order to provide for the financing
28 of certain infrastructure improvements described therein. Bill No. 16-12 established the
29 Arundel Gateway Special Taxing District Fund (the "Arundel Gateway Special Tax Fund")
30 and authorized the levy and imposition of the Arundel Gateway Special Tax upon certain
31 real and personal property within the Arundel Gateway Special Taxing District in the
32 manner and through the application of the Rate and Method of Apportionment of Special
33 Taxes (the "Arundel Gateway Rate and Method") attached as Exhibit C-1 to Bill No. 16-12
34 and made a part thereof. The County issued its Special Obligation Bonds (Arundel
35 Gateway Project), Series 2014 (Taxable) (the "Refunded Bonds") pursuant to the Special
36 Taxing District Act, Bill No. 16-12 and the Indenture of Trust dated as of August 1, 2014,
37 by and between the County and Manufacturers and Traders Trust Company, as trustee, as
38 amended and supplemented (as so amended and supplemented, the "Indenture").

39
40 The County has determined that debt service savings on a direct comparison basis can
41 be achieved by refunding all or a portion of the outstanding principal amount of the
42 Refunded Bonds in the manner provided in this Ordinance. The County has therefore
43 determined to authorize the issuance of the Refunding Bonds (hereinafter defined) pursuant
44 to Section 19-207 of the Local Government Article of the Annotated Code of Maryland
45 (2013 Replacement Volume and 2024 Supplement) (the "Refunding Act"), the Special
46 Taxing District Act and this Ordinance, the proceeds of which will be used to refund the
47 Refunded Bonds to achieve debt service savings. The Refunding Bonds shall not constitute
48 a general obligation debt of the County or a pledge of the County's full faith and credit or
49 taxing power other than the Arundel Gateway Special Tax levied and imposed upon certain

1 real and personal property within the Arundel Gateway Special Taxing District pursuant to
2 the Special Taxing District Act, Bill No. 16-12 and this Ordinance.

3
4 SECTION 1. *Be it enacted by the County Council of Anne Arundel County, Maryland,*
5 That the County hereby ratifies and confirms the creation of the Arundel Gateway Special
6 Taxing District for the purpose of financing the infrastructure improvements financed with
7 proceeds of the Refunded Bonds. The County Council hereby finds and determines that the
8 issuance of the Refunding Bonds for the purpose of refunding all or a portion of the
9 Refunded Bonds to realize debt service savings on a direct comparison basis will
10 accomplish the public purposes of the Refunding Act and is in furtherance of the purposes
11 of the Special Taxing District Act. For the purposes of this Ordinance, the issuance of the
12 Refunding Bonds shall be deemed to realize debt service savings on a direct comparison
13 basis when the debt service of the Refunding Bonds in each tax year, together with the debt
14 service on any Refunded Bonds not refunded, defeased or otherwise retired in connection
15 with the issuance of the Refunding Bonds is, in the aggregate, less than or equal to the debt
16 service on the Refunded Bonds in each tax year determined immediately before the
17 issuance of the Refunding Bonds.

18
19 SECTION 2. *And be it further enacted,* That pursuant to the Refunding Act and the
20 Special Taxing District Act, there is hereby authorized the issuance and sale from time to
21 time of special obligation refunding bonds in an aggregate principal amount not to exceed
22 \$12,360,000 (the "Refunding Bonds") for the purpose of refunding all or a portion of the
23 Refunded Bonds to realize debt service savings on a direct comparison basis. The proceeds
24 of the Refunding Bonds shall be used to refund all or a portion of the Refunded Bonds, to
25 pay costs and expenses related to the issuance of the Refunding Bonds and, if necessary,
26 to fund a debt service reserve fund for the Refunding Bonds as may be recommended by
27 the financial advisor to the County or by the underwriter for the Refunding Bonds. The
28 Refunding Bonds shall be special obligations of the County, the principal of and premium,
29 if any, and interest on which shall be payable from the Arundel Gateway Special Tax levied
30 and imposed pursuant to the Special Taxing District Act, Bill No. 16-12 and this Ordinance.
31 The Refunding Bonds will not constitute a general obligation debt of the County or a pledge
32 of the County's full faith and credit or taxing power other than the Arundel Gateway
33 Special Tax.

34
35 The aggregate principal amount of Refunding Bonds issued hereunder to refund the
36 Refunded Bonds shall not exceed 120% of the aggregate principal amount of the Refunded
37 Bonds refunded.

38
39 Prior to the issuance of the Refunding Bonds, the County Executive shall execute and
40 deliver a certification establishing that the issuance of the Refunding Bonds will realize
41 debt service savings on a direct comparison basis as specified in this Ordinance. In making
42 this certification, the County Executive may rely on the advice of the County's financial
43 advisor regarding such determination.

44
45 SECTION 3. *And be it further enacted,* That the Arundel Gateway Rate and Method
46 defines "Bonds" as any bonds, including refunding bonds, whether in one or more series,
47 issued by the County relating to the Arundel Gateway Special Taxing District pursuant to
48 the Special Taxing District Act. The County Council hereby ratifies and confirms its
49 findings in Bill No. 16-12 that the methodology utilized in apportioning the Arundel

1 Gateway Special Tax among property owners within the Arundel Gateway Special Taxing
2 District is reasonable and results in fairly allocating the cost of the infrastructure
3 improvements financed with proceeds of the Refunded Bonds as required by the Special
4 Taxing District Act. The Arundel Gateway Rate and Method is hereby confirmed, ratified,
5 adopted and incorporated into this Ordinance by this reference as if set forth in full herein.

6
7 The levy and imposition of the Arundel Gateway Special Tax upon real and personal
8 property within the Arundel Gateway Special Taxing District in the manner and through
9 the application of the Arundel Gateway Rate and Method and the deposit thereof in the
10 Arundel Gateway Special Tax Fund are hereby ratified and confirmed. The Arundel
11 Gateway Special Tax shall be and is hereby levied and imposed upon all real and personal
12 property within the Arundel Gateway Special Taxing District, unless exempted by law or
13 by the provisions hereof and the Arundel Gateway Rate and Method, in rate and amount
14 sufficient to provide for the payment of the principal of and premium, if any, and interest
15 on the Refunding Bonds and to pay or provide such other amounts as shall be required by
16 the Arundel Gateway Rate and Method, to the extent and in the manner provided thereby
17 and through the application of the procedures provided therein. The Arundel Gateway
18 Special Tax also may be levied with respect to refunding bonds issued under the Refunding
19 Act and Special Taxing District Act to refund the Refunding Bonds pursuant to the
20 provisions of an ordinance or resolution enacted or adopted by the County in connection
21 with the issuance of such refunding bonds.

22
23 The Controller of the County (the "Controller") is hereby authorized and directed to
24 exercise all duties of the County Executive contained in the Arundel Gateway Rate and
25 Method.

26
27 SECTION 4. *And be it further enacted*, That as provided in Bill No. 16-12, each
28 contract of sale for real property located in the Arundel Gateway Special Taxing District
29 and each property tax bill for property therein shall comply with the provisions of Section
30 21-519(2) of the Local Government Article of the Annotated Code of Maryland (2013
31 Replacement Volume and 2024 Supplement) and Section 4-8-104 of Article 4, Disclosure
32 to Buyers, of the Anne Arundel County Code (2005, as amended) and a seller's failure to
33 provide the disclosure required by the Special Taxing District Act renders the contract
34 voidable at the option of the buyer before the date of settlement.

35
36 No Arundel Gateway Special Tax shall accelerate by reason of a default on any
37 Refunding Bonds and no increase in the amount of the maximum Arundel Gateway Special
38 Tax applicable to any individual property in the Arundel Gateway Special Taxing District
39 shall result from the delinquency in the payment of the Arundel Gateway Special Tax by
40 any other property owner.

41
42 SECTION 5. *And be it further enacted*, That, if necessary upon the recommendation of
43 the financial advisor to the County or the underwriter for the Refunding Bonds, a debt
44 service reserve fund may be established for the Refunding Bonds in an amount equal to the
45 least of (i) 10% of the proceeds of such Refunding Bonds; (ii) 125% of the average annual
46 debt service on such Refunding Bonds; and (iii) the maximum annual debt service on such
47 Refunding Bonds outstanding or, if recommended by the financial advisor to the County
48 or the underwriter for the Refunding Bonds at the time of issuance of such Refunding
49 Bonds, in a larger amount, and such debt service reserve fund may be funded (in whole or

1 in part) by a surety bond in the form of a municipal bond debt service reserve insurance
2 policy. All sinking funds and other reserves securing such Refunding Bonds that are
3 available for the payment of debt service on such Refunding Bonds shall constitute the
4 “debt service reserve fund” for purposes of this Section. Based on customary current
5 municipal market requirements, the County Council considers a debt service reserve fund
6 in such amount adequate for purposes of Section 21-519(3) of the Local Government
7 Article of the Annotated Code of Maryland (2013 Replacement Volume and 2024
8 Supplement) and Section 4-8-103(a)(9)(vi) of the Anne Arundel County Code (2005, as
9 amended).

10
11 SECTION 6. *And be it further enacted*, That the Refunding Bonds shall be executed in
12 the name of the County and on its behalf by the manual or facsimile signature of the County
13 Executive, the corporate seal of the County or a facsimile thereof shall be impressed or
14 otherwise reproduced thereon and attested by the Administrative Officer to the County
15 Council by manual or facsimile signature and the Refunding Bonds shall be authenticated
16 by the manual or facsimile signature of the Chief Administrative Officer of the County (the
17 “Chief Administrative Officer”) or their authorized deputy as may be required by law.

18
19 SECTION 7. *And be it further enacted*, That prior to the issuance of the Refunding
20 Bonds from time to time, the County Executive, by executive order, shall specify:

21
22 (a) the principal amount of the Refunding Bonds to be issued;

23
24 (b) the rate or rates of interest to be borne by such Refunding Bonds, which shall
25 not exceed a maximum rate of interest of ten percent (10%) per annum after giving effect
26 to any federal subsidy;

27
28 (c) the manner in which and terms upon which such Refunding Bonds are to be
29 sold, which may be at public or private (negotiated) sale at or below the par amount of the
30 Refunding Bonds;

31
32 (d) the manner in which and the times and places that interest on such Refunding
33 Bonds is to be paid;

34
35 (e) the time of execution, issuance and delivery of such Refunding Bonds;

36
37 (f) the form and tenor of such Refunding Bonds, and denominations in which the
38 Refunding Bonds may be sold;

39
40 (g) the manner in which and the times and places that the principal of such
41 Refunding Bonds is to be paid;

42
43 (h) provisions pursuant to which any or all of such Refunding Bonds may be called
44 for redemption prior to their stated maturity dates;

45
46 (i) the maturity date or dates of such Refunding Bonds, which shall not exceed 30
47 years from the date of issuance of such Refunding Bonds; and

1 (j) such other matters in connection with the authorization, sale, issuance, delivery
2 and payment of and for such Refunding Bonds and the security for such Refunding Bonds
3 not inconsistent with the Special Taxing District Act or this Ordinance as the County
4 Executive shall deem necessary or appropriate.

5
6 Without limiting the generality of the foregoing, the County Executive is hereby
7 authorized to appoint bond counsel, a financial advisor, any trustee, registrar, paying agent,
8 escrow agent or other fiscal agent and any verification agent for such Refunding Bonds, to
9 select an investment bank or banks or other financial institution to purchase and underwrite
10 the sale of such Refunding Bonds and to enter into one or more agreements on behalf of
11 the County as the County Executive shall deem necessary or appropriate for the issuance,
12 sale, delivery or security of such Refunding Bonds, which may include (without limitation)
13 (i) underwriting agreements or purchase or placement agreements for Refunding Bonds
14 sold at private (negotiated) sale; (ii) amendments and supplements to the Indenture and any
15 additional trust agreements with commercial banks or trust companies providing for the
16 issuance and security of such Refunding Bonds; (iii) agreements relating to bond insurance
17 for a portion of or all of the Refunding Bonds; (iv) agreements relating to a surety bond to
18 fund a portion of or all of the debt service reserve fund established for the Refunding Bonds
19 in the form of a municipal bond debt service reserve insurance policy (or any similar bond
20 insurance product); (iv) dealer, remarketing or similar agreements providing for the
21 placement or remarketing of such Refunding Bonds; (v) agreements providing for any
22 credit or liquidity facilities supporting any Refunding Bonds; (vi) agreements with
23 commercial banks or trust companies providing for the deposit of proceeds of any
24 Refunding Bonds; and (vii) escrow deposit agreements and agreements with fiscal agents
25 providing for the issuance of Refunding Bonds, their authentication, registration or
26 payment or other similar services. Each such agreement shall be in such form as shall be
27 determined by the County Executive by order. The execution and delivery of each such
28 agreement by the County Executive shall be conclusive evidence of the approval of the
29 form of such agreement on behalf of the County.

30
31 In connection with the sale of any Refunding Bonds, the County may prepare and
32 distribute both a preliminary and a final limited offering memorandum or other similar
33 offering document to the extent determined by the County Executive to be necessary or
34 desirable for the sale of such Refunding Bonds in form and content acceptable to the
35 County Executive.

36
37 The County Executive, the Chief Administrative Officer, the Controller and other
38 County officials are hereby authorized to execute and deliver, for and on behalf of the
39 County, any and all additional certificates and documents or other papers and to do any
40 and all things necessary or appropriate in order to effect the issuance and sale of Refunding
41 Bonds and to consummate and otherwise implement the transactions contemplated by the
42 Special Taxing District Act and this Ordinance, subject to the limitations set forth in the
43 Special Taxing District Act and this Ordinance.

44
45 The delegation of authority to the County Executive in this Ordinance is subject in all
46 respects to the discretion of the County Executive and no Refunding Bonds shall be issued
47 unless the County Executive shall have approved all matters in connection with the
48 authorization, sale, issuance, delivery and payment of and for such Refunding Bonds and
49 the security for such Refunding Bonds. None of the County, the County Executive, the

1 members of the County Council and the officers, employees and agents of the County shall
2 be subject to any liability in connection with the issuance sale and delivery of any
3 Refunding Bonds.

4
5 SECTION 8. *And be it further enacted*, That the County Executive, on behalf of the
6 County, may make such covenants and agreements in connection with the issuance of
7 Refunding Bonds issued as tax-exempt bonds ("Tax-Exempt Obligations") as they shall
8 deem advisable in order to assure owners of such Refunding Bonds that interest thereon
9 shall be and remain excludable from gross income for federal income tax purposes. The
10 County Executive, on behalf of the County, is further authorized to take any and all actions
11 as may be necessary or desirable to assure that any Refunding Bonds are allowed a tax
12 credit, that the County is entitled to a subsidy from the United States of America or any
13 agency or instrumentality thereof with respect to such Refunding Bonds or the interest
14 payable thereon or that any such Refunding Bonds or the interest thereon are entitled to
15 any other available benefits under the Internal Revenue Code of 1986, as amended, or
16 otherwise (any such Refunding Bonds being referred to herein as "Tax Advantaged
17 Obligations"). Without limiting the generality of the foregoing, the County Executive is
18 hereby authorized to make such covenants and agreements relating to the investment of the
19 proceeds of such Refunding Bonds, the payment of rebate (or payments in lieu of rebate)
20 to the United States of America, limitations on the times within which such proceeds may
21 be expended and the use of specified procedures for accounting for such proceeds, to make
22 any required or permitted elections or designations, to take any actions as shall be necessary
23 to permit any tax credit to be stripped and sold separately from the ownership interest in
24 any Tax Advantaged Obligation and to claim any cash subsidy with respect to any Tax
25 Advantaged Obligation. The County may pledge such subsidy or other funds received with
26 respect to any Tax Advantaged Obligation towards the payment of the principal of and the
27 interest on Refunding Bonds. The County may agree to pay County funds to any debt
28 service reserve fund or any other fund deemed appropriate by the County Executive in
29 order to replenish any such debt service reserve fund for any deficiency resulting from any
30 amount offset by the federal government against any such subsidy or other funds payable
31 by the federal government with respect to any Refunding Bonds if (a) the County Executive
32 determines that the offset results from an action or failure to act or other circumstance
33 unrelated to the Refunding Bonds; and (b) either (i) the County Executive determines that
34 the County is liable for the amount offset or it shall be finally determined by a court of
35 competent jurisdiction from which not further appeal exists that the County is liable for
36 such amount, or (ii) such payment obligation is specifically subject to annual appropriation
37 by the County Council and is not a general obligation of the County to which the full faith
38 and credit of the County are pledged. The County Executive may agree, to the extent
39 permitted by law and subject to applicable public policy, to use best efforts to obtain the
40 appropriation of such funds. Such covenants or agreements shall be binding on the County
41 so long as the observance by the County of any such covenants or agreements is necessary
42 in connection with the maintenance of the excludability of the interest on such Tax-Exempt
43 Obligations from gross income for federal income tax purposes or the entitlement of such
44 Tax Advantaged Obligations to such benefits, respectively.

45
46 SECTION 9. *And be it further enacted*, That in accordance with the provisions of
47 Article V, Section 504 of the Charter of the County, the County Executive is hereby
48 authorized to delegate to the Chief Administrative Officer the power and authority to take

1 any and all actions required or permitted to be taken by the County Executive pursuant to
2 this Ordinance.

3
4 SECTION 10. *And be it further enacted*, That by the enactment of this Ordinance, the
5 County has complied with the provisions of the Special Taxing District Act, including but
6 not limited to Section 21 of the Local Government Article of the Annotated Code of
7 Maryland (2013 Replacement Volume and 2024 Supplement).

8
9 SECTION 11. *And be it further enacted*, That the provisions of this Ordinance are
10 severable, and if any provision, sentence, clause, section or part hereof is held or
11 determined to be illegal, invalid, unconstitutional or inapplicable to any person or
12 circumstances, such illegality, invalidity, unconstitutionality or inapplicability shall not
13 affect or impair any of the remaining provisions, sentences, clauses, sections or parts of
14 this Ordinance or their application to other persons or circumstances. It is hereby declared
15 to be the legislative intent that this Ordinance would have been passed and approved if
16 such illegal, invalid, unconstitutional or inapplicable provision, sentence, clause, section
17 or part had not been included herein and as if the person or circumstances to which this
18 Ordinance or any part hereof are inapplicable had been specifically exempted herefrom.

19
20 SECTION 12. *And be it further enacted*, That this Ordinance shall take effect 45 days
21 from the date of its enactment.