

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

County Council Of Howard County, Maryland

2010 Legislative Session

Legislative Day No. 1

Bill No. 1 - 2010

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 \$1,000,000 on its full faith and credit, and issue and sell its bonds therefor, to be used to pay costs of Capital Project No. E-0980 (Systemic Renovations), more particularly described in the County's 2010 Capital Budget, and to pay costs of issuance of such bonds; authorizing 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 _____, 2010. 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, the Bill was read for a second time at a public hearing on _____, 2010.

By order _____
Stephen LeGendre, Administrator

This Bill was read the third time on _____, 2010 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 _____, 2010 at ___ a.m./p.m.

By order _____
Stephen LeGendre, Administrator

Approved by the County Executive _____, 2010.

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 As a part of the Capital Budget for the fiscal year ending June 30, 2010 (the “Capital Budget”), it
3 is necessary that Howard County, Maryland borrow a sum not exceeding \$1,000,000, which such funds
4 have been transferred from capital project E-1008 (Elkridge Elementary School) pursuant to
5 Resolution No. 1-2010, to be used for the financing and refinancing of Capital Project No. E-0980, as
6 more particularly described in the Capital Budget (the “Project”) and Appendix A attached hereto, and for
7 the payment of costs of issuance of any obligations issued to evidence such borrowing.

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

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

20 **Section 2. And be it further enacted by the County Council of Howard County, Maryland,**
21 That, pursuant to and in accordance with Article 31, Section 12 of the Annotated Code of Maryland, as
22 amended, the County is also authorized to issue bond anticipation notes in anticipation of the issuance of
23 the bonds authorized by this Act and described in Section 1 hereof, and all references to “bonds” or
24 “obligations” in this Act shall include such bond anticipation notes, unless the context clearly requires a
25 contrary meaning. It is intended that the aggregate principal amount of issued and outstanding bond

1 anticipation notes when added to the aggregate principal amount of issued and outstanding bonds in
2 anticipation of which such notes were issued, shall not exceed the aggregate principal amount set forth in
3 Section 1 of this Act at any time. The County will agree in each ordinance described in Section 4 of this
4 Act relating to any notes issued pursuant to this Act to pay such notes and the interest and premium, if
5 any, thereon from the proceeds of the bonds in anticipation of the sale of which such notes are issued and
6 other available funds, and the County will agree to issue such bonds when, and as soon as, the reason for
7 deferring their issuance no longer exists.

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

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

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

19 That the County Council of the County, by an ordinance or ordinances adopted from time to time in
20 accordance with Article VI of the Charter and other applicable provisions of law and policies of the
21 County, shall provide for (a) the issuance and sale of, (b) the maximum principal amount, designation,
22 form, tenor and denomination or denominations of, (c) the dates of the first maturity (not more than two
23 years after the date of issue) and the last maturity (not more than 30 years after the date of issue) of, and
24 (d) the interest rate or rates per annum (or the method of determining such rate or rates) payable on, any
25 bonds or other obligations issued from time to time under this Act; and may by any such ordinance, or by

1 separate resolution, provide that the issue of bonds or other obligations hereby authorized be consolidated
2 with one or more other issues.

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

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

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

10 That any bonds or other obligations issued from time to time under this Act are specifically exempt from
11 the provisions of Article 31, Sections 9, 10 and 11 of the Annotated Code of Maryland, as amended, and
12 any successor provision of law.

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

14 That all bonds or other obligations authorized hereby shall be issued within four years from the date this
15 Act becomes effective. Notwithstanding the foregoing, if bond anticipation notes are issued within such
16 period in accordance with Section 2 hereof, the bonds authorized hereby may be issued until the final
17 maturity date of such notes.

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

19 That the County anticipates that a portion of the costs of the Project may be paid prior to the issuance of
20 the bonds or other obligations authorized hereby. The amount of such costs so paid will depend on
21 various factors, including, without limitation, the timing and speed of progress on the Project, the
22 availability of other funds to pay such costs on an interim basis, bond and money market conditions and
23 compliance with federal and State laws and regulations.

24 Accordingly, the County reasonably expects to reimburse costs of the Project (as described
25 herein) with proceeds of the bonds or other obligations authorized hereby, such bonds or other obligations
26 to be issued by the County in the maximum principal amount of \$1,000,000.

1 **Section 9. And be it further enacted by the County Council of Howard County, Maryland,**
2 That this Act shall take effect sixty-one (61) days after its enactment.

Project Description	Amount to be Borrowed
E0980 FY2004 SYSTEMIC RENOVATIONS Improvements and installation of systemic renovations at various schools.	\$1,000,000
TOTAL AMOUNT TO BE BORROWED:	<u>\$1,000,000</u>