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**By: Frederick County Delegation**

Introduced and read first time: February 5, 1997

Assigned to: Commerce and Government Matters

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A BILL ENTITLED

1 AN ACT concerning

2 **Frederick County - Community Development Authorities**

3 FOR the purpose of authorizing the County Commissioners of Frederick County to  
4 establish community development authorities in specified areas of Frederick County  
5 for purposes of developing and financing certain infrastructure and improvements  
6 under certain circumstances; authorizing the issuance of certain limited obligation  
7 debt under specified conditions; providing for imposition of certain taxes and fees;  
8 authorizing the establishment of certain accounts; specifying purposes for which a  
9 community development authority may be established; requiring certain consent if a  
10 community development authority extends into a municipal corporation; specifying  
11 certain requirements, granting certain authorization, and providing for the effect of  
12 certain provisions and instruments, all relating to community development  
13 authorities and issuance of certain debt; defining certain terms; and generally  
14 relating to the authority of the County Commissioners of Frederick County to  
15 establish special districts known as community development authorities for  
16 financing certain improvements, to impose certain taxes or fees, and to issue debt  
17 for the development and financing of qualifying improvements.

18 BY adding to

19 The Public Local Laws of Frederick County  
20 Section 2-7-125 to be under the new article "Article VI. Community Development  
21 Authorities"  
22 Article 11 - Public Local Laws of Maryland  
23 (1979 Edition and June 1996 Supplement, as amended)

24 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
25 MARYLAND, That the Laws of Maryland read as follows:

26 **Article 11 - Frederick County**

27 ARTICLE VI. COMMUNITY DEVELOPMENT AUTHORITIES

28 2-7-125.

29 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS  
30 INDICATED.

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1 (2) "BOND" MEANS A SPECIAL OBLIGATION BOND, REVENUE BOND,  
2 NOTE, OR SIMILAR INSTRUMENT ISSUED BY THE COUNTY IN ACCORDANCE WITH  
3 THIS SECTION.

4 (3) "COST" INCLUDES THE COST OF:

5 (I) CONSTRUCTION, RECONSTRUCTION, RENOVATION, AND  
6 ACQUISITION OF ALL LANDS, STRUCTURES, REAL OR PERSONAL PROPERTY, RIGHTS,  
7 RIGHTS-OF-WAY, FRANCHISES, EASEMENTS, AND INTERESTS ACQUIRED OR TO BE  
8 ACQUIRED BY THE COUNTY OR ANOTHER ENTITY APPROVED BY THE COUNTY  
9 COMMISSIONERS;

10 (II) MACHINERY AND EQUIPMENT, INCLUDING MACHINERY AND  
11 EQUIPMENT NEEDED TO EXPAND OR ENHANCE COUNTY SERVICES TO THE  
12 COMMUNITY DEVELOPMENT AUTHORITY;

13 (III) FINANCING CHARGES AND INTEREST PRIOR TO AND DURING  
14 CONSTRUCTION AND, IF DEEMED ADVISABLE BY THE COUNTY COMMISSIONERS,  
15 FOR A LIMITED PERIOD AFTER COMPLETION OF CONSTRUCTION, INTEREST AND  
16 RESERVES FOR PRINCIPAL AND INTEREST, INCLUDING COSTS OF MUNICIPAL BOND  
17 INSURANCE AND ANY OTHER TYPE OF FINANCIAL GUARANTY AND COSTS OF  
18 ISSUANCE;

19 (IV) EXTENSIONS, ENLARGEMENTS, ADDITIONS, AND  
20 IMPROVEMENTS;

21 (V) ARCHITECTURAL, ENGINEERING, FINANCIAL, AND LEGAL  
22 SERVICES;

23 (VI) PLANS, SPECIFICATIONS, STUDIES, SURVEYS, AND ESTIMATES  
24 OF COST AND OF REVENUES;

25 (VII) ADMINISTRATIVE EXPENSES NECESSARY OR INCIDENT TO  
26 DETERMINING WHETHER TO PROCEED WITH INFRASTRUCTURE IMPROVEMENTS;  
27 AND

28 (VIII) OTHER EXPENSES AS MAY BE NECESSARY OR INCIDENT TO  
29 THE CONSTRUCTION, ACQUISITION, AND FINANCING OF INFRASTRUCTURE  
30 IMPROVEMENTS.

31 (B) (1) FOR THE PURPOSES STATED UNDER PARAGRAPH (2) OF THIS  
32 SUBSECTION, AND SUBJECT TO THE PROVISIONS OF THIS SECTION, THE COUNTY  
33 COMMISSIONERS MAY:

34 (I) CREATE A COMMUNITY DEVELOPMENT AUTHORITY;

35 (II) LEVY AD VALOREM OR SPECIAL TAXES OR FEES; AND

36 (III) ISSUE BONDS AND OTHER OBLIGATIONS.

37 (2) THE PURPOSE OF A COMMUNITY DEVELOPMENT AUTHORITY  
38 ESTABLISHED UNDER PARAGRAPH (1) OF THIS SUBSECTION IS TO PROVIDE  
39 FINANCING, REFINANCING, OR REIMBURSEMENT FOR THE COST OF DESIGN,

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1 CONSTRUCTION, ESTABLISHMENT, EXTENSION, ALTERATION, OR ACQUISITION OF  
2 ADEQUATE STORM DRAINAGE SYSTEMS, SEWERS, WATER SYSTEMS, ROADS,  
3 BRIDGES, CULVERTS, TUNNELS, STREETS, SIDEWALKS, LIGHTING, PARKING, PARKS  
4 AND RECREATION FACILITIES, FACILITIES FOR INDOOR AND OUTDOOR  
5 RECREATIONAL AND CULTURAL USES, ENTRANCE AREAS, SECURITY FACILITIES,  
6 GUARD HOUSES, FENCING, LANDSCAPING IMPROVEMENTS, CURBS AND GUTTERS,  
7 MUSEUMS AND CULTURAL FACILITIES, DAMS, FLOOD MITIGATION USES, LIBRARIES,  
8 TRANSIT FACILITIES, SOLID WASTE FACILITIES, AND OTHER INFRASTRUCTURE  
9 IMPROVEMENTS AS NECESSARY, WHETHER SITUATED WITHIN THE COMMUNITY  
10 DEVELOPMENT AUTHORITY OR OUTSIDE THE COMMUNITY DEVELOPMENT  
11 AUTHORITY, IF THE INFRASTRUCTURE IMPROVEMENT IS REASONABLY RELATED  
12 TO OTHER INFRASTRUCTURE IMPROVEMENTS WITHIN THE COMMUNITY  
13 DEVELOPMENT AUTHORITY, FOR THE DEVELOPMENT AND UTILIZATION OF THE  
14 LAND, EACH WITH RESPECT TO ANY DEFINED GEOGRAPHIC REGION WITHIN THE  
15 COUNTY.

16 (C) (1) NOTWITHSTANDING ANY OTHER PROVISION OF PUBLIC LOCAL LAW  
17 OR PUBLIC GENERAL LAW, AND IN ADDITION TO OTHER POWERS THAT THE  
18 COUNTY MAY HAVE, THE COUNTY COMMISSIONERS MAY BORROW MONEY BY  
19 ISSUING AND SELLING BONDS FOR ANY OF THE PURPOSES STATED IN SUBSECTION  
20 (B)(2) OF THIS SECTION IF A REQUEST IS MADE BY BOTH:

21 (I) THE OWNERS OF AT LEAST TWO-THIRDS OF THE ASSESSED  
22 VALUATION OF THE REAL PROPERTY LOCATED WITHIN THE COMMUNITY  
23 DEVELOPMENT AUTHORITY; AND

24 (II) AT LEAST TWO-THIRDS OF THE OWNERS OF THE REAL  
25 PROPERTY LOCATED WITHIN THE COMMUNITY DEVELOPMENT AUTHORITY,  
26 PROVIDED THAT:

27 1. MULTIPLE OWNERS OF A SINGLE PARCEL ARE TREATED  
28 AS ONE OWNER; AND

29 2. A SINGLE OWNER OF MULTIPLE PARCELS IS TREATED AS  
30 ONE OWNER.

31 (2) THIS SECTION IS SELF-EXECUTING AND DOES NOT REQUIRE THE  
32 COUNTY COMMISSIONERS TO ENACT LEGISLATION TO EXERCISE THE POWERS  
33 GRANTED UNDER THIS SECTION.

34 (D) (1) ANY BONDS ISSUED UNDER THIS SECTION SHALL BE PAYABLE FROM  
35 THE SPECIAL FUND REQUIRED UNDER SUBSECTION (E) OF THIS SECTION.

36 (2) IF THE COUNTY COMMISSIONERS ISSUE BONDS UNDER THIS  
37 SECTION, THE COUNTY COMMISSIONERS MAY:

38 (I) ESTABLISH SINKING FUNDS;

39 (II) ESTABLISH DEBT SERVICE RESERVE FUNDS;

40 (III) PLEDGE OTHER ASSETS AND REVENUES TOWARDS THE  
41 PAYMENT OF THE PRINCIPAL AND INTEREST; OR

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1 (IV) PROVIDE FOR MUNICIPAL BOND INSURANCE OR ANY OTHER  
2 TYPE OF FINANCIAL GUARANTY OF THE BONDS.

3 (3) ALL PROCEEDS RECEIVED FROM ANY BONDS ISSUED AND SOLD  
4 SHALL BE APPLIED SOLELY TO PAY THE COST OF INFRASTRUCTURE  
5 IMPROVEMENTS, INCLUDING:

6 (I) COSTS OF DESIGN, CONSTRUCTION, ESTABLISHMENT,  
7 EXTENSION, ALTERATION, OR ACQUISITION OF INFRASTRUCTURE IMPROVEMENTS;

8 (II) COSTS OF ISSUING BONDS;

9 (III) PAYMENT OF THE PRINCIPAL OF AND INTEREST ON LOANS,  
10 MONEY ADVANCES, OR INDEBTEDNESS INCURRED BY THE COUNTY FOR ANY OF  
11 THE PURPOSES STATED IN SUBSECTION (B)(2) OF THIS SECTION, INCLUDING THE  
12 REFUNDING OF BONDS PREVIOUSLY ISSUED UNDER THIS SECTION; AND

13 (IV) FUNDING OF A DEBT SERVICE RESERVE FUND OR PAYMENT  
14 OF INTEREST PRIOR TO, DURING, OR FOR A LIMITED PERIOD OF TIME AFTER  
15 CONSTRUCTION.

16 (E) (1) BEFORE ISSUING BONDS UNDER THIS SECTION, THE COUNTY  
17 COMMISSIONERS SHALL:

18 (I) DESIGNATE BY RESOLUTION ONE OR MORE AREAS AS A  
19 COMMUNITY DEVELOPMENT AUTHORITY;

20 (II) SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, ADOPT A  
21 RESOLUTION CREATING A SPECIAL FUND WITH RESPECT TO THE COMMUNITY  
22 DEVELOPMENT AUTHORITY; AND

23 (III) PROVIDE FOR THE LEVY OF AN AD VALOREM OR COMMUNITY  
24 DEVELOPMENT TAX OR FEE ON ALL REAL OR PERSONAL PROPERTY WITHIN THE  
25 COMMUNITY DEVELOPMENT AUTHORITY AT A RATE OR AMOUNT DESIGNED TO  
26 PROVIDE ADEQUATE REVENUES TO PAY THE PRINCIPAL OF, INTEREST ON, AND  
27 REDEMPTION PREMIUM, IF ANY, ON THE BONDS, TO REPLENISH ANY DEBT SERVICE  
28 RESERVE FUND, AND FOR ANY OTHER PURPOSE RELATED TO THE ONGOING  
29 EXPENSES OF OR SECURITY FOR THE BONDS.

30 (2) AD VALOREM TAXES LEVIED UNDER THIS SECTION SHALL BE  
31 LEVIED IN THE SAME MANNER, UPON THE SAME ASSESSMENTS, FOR THE SAME  
32 PERIOD OR PERIODS, AND AS OF THE SAME DATE OR DATES OF FINALITY AS ARE  
33 GENERAL AD VALOREM TAXES WITHIN THE COMMUNITY DEVELOPMENT  
34 AUTHORITY AND SHALL BE DISCONTINUED WHEN ALL OF THE BONDS HAVE BEEN  
35 PAID IN FULL. SPECIAL TAXES OR FEES SHALL BE LEVIED PURSUANT TO  
36 SUBSECTION (N) OF THIS SECTION.

37 (3) THE RESOLUTION CREATING A SPECIAL FUND UNDER PARAGRAPH  
38 (1)(II) OF THIS SUBSECTION SHALL:

39 (I) PLEDGE TO THE SPECIAL FUND THE PROCEEDS OF THE AD  
40 VALOREM OR SPECIAL TAX OR FEE TO BE LEVIED AS PROVIDED IN PARAGRAPH  
41 (1)(III) OF THIS SUBSECTION; AND

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1 (II) REQUIRE THAT THE PROCEEDS FROM THE TAX OR FEE BE  
2 PAID INTO THE SPECIAL FUND.

3 (F) WHEN NO BONDS AUTHORIZED BY THIS SECTION ARE OUTSTANDING  
4 WITH RESPECT TO A COMMUNITY DEVELOPMENT AUTHORITY:

5 (1) THE COMMUNITY DEVELOPMENT AUTHORITY SHALL BE  
6 TERMINATED; AND

7 (2) ANY MONEY REMAINING IN THE SPECIAL FUND ON THE DATE OF  
8 TERMINATION SHALL BE PAID TO THE GENERAL FUND OF THE COUNTY OR APPLIED  
9 TO ANOTHER USE APPROVED BY THE COUNTY COMMISSIONERS.

10 (G) (1) IN ORDER TO IMPLEMENT THE AUTHORITY UNDER THIS SECTION  
11 TO ISSUE BONDS, THE COUNTY COMMISSIONERS SHALL ADOPT AN ORDINANCE OR  
12 RESOLUTION THAT:

13 (I) SPECIFIES AND DESCRIBES THE PROPOSED UNDERTAKING  
14 AND STATES THAT IT HAS COMPLIED WITH SUBSECTION (E) OF THIS SECTION;

15 (II) SPECIFIES THE MAXIMUM PRINCIPAL AMOUNT OF THE BONDS  
16 TO BE ISSUED;

17 (III) SPECIFIES THE MAXIMUM RATE OR RATES OF INTEREST FOR  
18 THE BONDS; AND

19 (IV) AGREES TO A COVENANT TO LEVY UPON ALL REAL OR  
20 PERSONAL PROPERTY WITHIN THE COMMUNITY DEVELOPMENT AUTHORITY AD  
21 VALOREM TAXES OR SPECIAL TAXES OR FEES IN RATE AND AMOUNT AT LEAST  
22 SUFFICIENT IN EACH YEAR IN WHICH ANY OF THE BONDS ARE OUTSTANDING TO  
23 PROVIDE FOR THE PAYMENT OF THE PRINCIPAL OF AND THE INTEREST ON THE  
24 BONDS.

25 (2) THE ORDINANCE OR RESOLUTION MAY REQUIRE OR MAY  
26 AUTHORIZE THE COUNTY MANAGER TO SPECIFY AS THE COUNTY MANAGER DEEMS  
27 APPROPRIATE TO EFFECT THE FINANCING OF THE PROPOSED UNDERTAKING:

28 (I) THE ACTUAL PRINCIPAL AMOUNT OF THE BONDS TO BE  
29 ISSUED;

30 (II) THE ACTUAL RATE OR RATES OF INTEREST FOR THE BONDS;

31 (III) THE MANNER IN WHICH AND THE TERMS UPON WHICH THE  
32 BONDS ARE TO BE SOLD;

33 (IV) THE MANNER IN WHICH AND THE TIMES AND PLACES THAT  
34 THE INTEREST ON THE BONDS IS TO BE PAID;

35 (V) THE TIME OR TIMES THAT THE BONDS MAY BE EXECUTED,  
36 ISSUED, AND DELIVERED;

37 (VI) THE FORM AND TENOR OF THE BONDS AND THE  
38 DENOMINATIONS IN WHICH THE BONDS MAY BE ISSUED;

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1 (VII) THE MANNER IN WHICH AND THE TIMES AND PLACES THAT  
2 THE PRINCIPAL OF THE BONDS IS TO BE PAID, WITHIN THE LIMITATIONS UNDER  
3 THIS SECTION;

4 (VIII) PROVISIONS PURSUANT TO WHICH ANY OR ALL OF THE BONDS  
5 MAY BE CALLED FOR REDEMPTION PRIOR TO THEIR STATED MATURITY DATES; OR

6 (IX) ANY OTHER PROVISIONS NOT INCONSISTENT WITH THIS  
7 SECTION AS SHALL BE DETERMINED BY THE COUNTY COMMISSIONERS TO BE  
8 NECESSARY OR DESIRABLE TO EFFECT THE FINANCING OF THE PROPOSED  
9 UNDERTAKING.

10 (3) AN ORDINANCE OR RESOLUTION AUTHORIZING THE BONDS  
11 REQUIRED UNDER THIS SUBSECTION, ANY ORDINANCE OR RESOLUTION ADOPTED  
12 IN FURTHERANCE OF THE REQUIRED ORDINANCE OR RESOLUTION, THE BONDS,  
13 THE DESIGNATION OF A COMMUNITY DEVELOPMENT AUTHORITY, OR THE LEVY OF  
14 A SPECIAL AD VALOREM TAX OR SPECIAL TAX OR FEE SHALL BE SUBJECT TO THE  
15 REQUEST OF THE PROPERTY OWNERS AS SPECIFIED UNDER SUBSECTION (C) OF  
16 THIS SECTION.

17 (4) THE SPECIAL FUND AND ANY SINKING FUND ESTABLISHED BY THE  
18 COUNTY COMMISSIONERS TO PROVIDE FOR THE PAYMENT OF THE PRINCIPAL OF  
19 OR INTEREST ON ANY BONDS ISSUED BY THE COUNTY UNDER THE PROVISIONS OF  
20 THIS SECTION MAY NOT BE INVESTED BY THE FISCAL OFFICER OF THE COUNTY  
21 HAVING CUSTODY OF THE SPECIAL FUND OR ANY SINKING FUND EXCEPT IN THE  
22 MANNER PRESCRIBED BY ARTICLE 31, §§ 6 AND 7 OF THE ANNOTATED CODE OF  
23 MARYLAND. THE FISCAL OFFICER HAVING CUSTODY OF THE PROCEEDS OF THE  
24 SALE OF ANY SUCH BONDS MAY INVEST THE PROCEEDS, PENDING THE  
25 EXPENDITURE THEREOF, AS PRESCRIBED BY ARTICLE 95, § 22 OF THE ANNOTATED  
26 CODE OF MARYLAND.

27 (H) THE PRINCIPAL AMOUNT OF THE BONDS, THE INTEREST PAYABLE ON  
28 THE BONDS, THEIR TRANSFER, AND ANY INCOME DERIVED FROM THE TRANSFER,  
29 INCLUDING ANY PROFIT MADE IN THE SALE OR TRANSFER OF THE BONDS, SHALL  
30 BE EXEMPT FROM TAXATION BY THE STATE AND BY THE COUNTIES AND MUNICIPAL  
31 CORPORATIONS OF THE STATE, BUT SHALL BE INCLUDED, TO THE EXTENT  
32 REQUIRED UNDER TITLE 8, SUBTITLE 2, OF THE TAX - GENERAL ARTICLE OF THE  
33 ANNOTATED CODE OF MARYLAND, IN COMPUTING THE NET EARNINGS OF  
34 FINANCIAL INSTITUTIONS.

35 (I) (1) BONDS ISSUED UNDER THIS SECTION MAY BE IN BEARER FORM OR  
36 IN COUPON FORM OR MAY BE REGISTRABLE AS TO PRINCIPAL ALONE OR AS TO  
37 BOTH PRINCIPAL AND INTEREST. EACH BOND SHALL BE DEEMED TO BE A SECURITY  
38 AS DEFINED IN § 8-102 OF THE COMMERCIAL LAW ARTICLE OF THE ANNOTATED  
39 CODE OF MARYLAND, WHETHER OR NOT IT IS ONE OF A CLASS OR SERIES OR BY ITS  
40 TERMS IS DIVISIBLE INTO A CLASS OR SERIES OF INSTRUMENTS.

41 (2) BONDS SHALL BE SIGNED MANUALLY OR IN FACSIMILE BY THE  
42 PRESIDENT OR VICE PRESIDENT OF THE BOARD OF COUNTY COMMISSIONERS, AND  
43 THE SEAL OF THE COUNTY SHALL BE AFFIXED TO THE BONDS AND ATTESTED TO BY  
44 THE COUNTY MANAGER OR OTHER SIMILAR ADMINISTRATIVE OFFICER OF THE

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1 COUNTY. IF ANY OFFICER WHOSE SIGNATURE OR COUNTERSIGNATURE APPEARS  
2 ON THE COUPONS CEASES TO BE SUCH OFFICER BEFORE DELIVERY OF THE BONDS,  
3 THE OFFICER'S SIGNATURE OR COUNTERSIGNATURE SHALL NEVERTHELESS BE  
4 VALID AND SUFFICIENT FOR ALL PURPOSES THE SAME AS IF THE OFFICER HAD  
5 REMAINED IN OFFICE UNTIL DELIVERY.

6 (3) ALL BONDS SHALL MATURE NOT LATER THAN 30 YEARS FROM  
7 THEIR DATE OF ISSUANCE.

8 (4) ALL BONDS SHALL BE SOLD EITHER AT PUBLIC OR PRIVATE SALE,  
9 AND IN THE MANNER AND UPON THE TERMS AS THE COUNTY COMMISSIONERS  
10 DEEM BEST. ANY CONTRACT FOR THE ACQUISITION OF PROPERTY MAY PROVIDE  
11 THAT PAYMENT SHALL BE MADE IN BONDS. BONDS ISSUED UNDER THIS SECTION  
12 ARE NOT SUBJECT TO ARTICLE 31, §§ 9, 10, AND 11 OF THE ANNOTATED CODE OF  
13 MARYLAND.

14 (J) BONDS ISSUED UNDER THIS SECTION ARE SECURITIES:

15 (1) IN WHICH ALL PUBLIC OFFICERS AND PUBLIC BODIES OF THE STATE  
16 AND ITS POLITICAL SUBDIVISIONS, ALL INSURANCE COMPANIES, STATE BANKS AND  
17 TRUST COMPANIES, NATIONAL BANKING ASSOCIATIONS, SAVINGS BANKS, SAVINGS  
18 AND LOAN ASSOCIATIONS, INVESTMENT COMPANIES, EXECUTORS,  
19 ADMINISTRATORS, TRUSTEES, AND OTHER FIDUCIARIES MAY PROPERLY AND  
20 LEGALLY INVEST FUNDS, INCLUDING CAPITAL IN THEIR CONTROL OR BELONGING  
21 TO THEM; AND

22 (2) WHICH MAY PROPERLY AND LEGALLY BE DEPOSITED WITH AND  
23 RECEIVED BY ANY STATE OR COUNTY OFFICER OR ANY AGENCY OR POLITICAL  
24 SUBDIVISION OF THE STATE FOR ANY PURPOSE FOR WHICH THE DEPOSIT OF BONDS  
25 OR OBLIGATIONS OF THE STATE IS AUTHORIZED BY LAW.

26 (K) THE POWERS GRANTED UNDER THIS SECTION SHALL BE REGARDED AS  
27 SUPPLEMENTAL AND ADDITIONAL TO POWERS CONFERRED BY OTHER LAWS, AND  
28 MAY NOT BE REGARDED AS IN DEROGATION OF ANY POWERS NOW EXISTING.

29 (L) THIS SECTION, BEING NECESSARY FOR THE WELFARE OF THE STATE AND  
30 ITS RESIDENTS, SHALL BE LIBERALLY CONSTRUED TO EFFECT THE PURPOSE  
31 STATED IN SUBSECTION (B)(2) OF THIS SECTION.

32 (M) BEFORE THE FINAL ADOPTION OF AN ORDINANCE OR RESOLUTION  
33 UNDER THIS SECTION THAT DESIGNATES A COMMUNITY DEVELOPMENT  
34 AUTHORITY, AUTHORIZES THE ISSUANCE OF BONDS, OR LEVIES AD VALOREM  
35 TAXES OR SPECIAL TAXES OR FEES, THE COUNTY COMMISSIONERS SHALL HOLD A  
36 PUBLIC HEARING AFTER GIVING NOT LESS THAN 10 DAYS NOTICE IN A NEWSPAPER  
37 OF GENERAL CIRCULATION IN THE COUNTY.

38 (N) (1) AS AN ALTERNATIVE TO LEVYING AD VALOREM TAXES UNDER THIS  
39 SECTION, THE COUNTY COMMISSIONERS MAY LEVY SPECIAL TAXES OR FEES ON  
40 PROPERTY IN A COMMUNITY DEVELOPMENT AUTHORITY TO COVER THE COSTS OF  
41 INFRASTRUCTURE IMPROVEMENTS.

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1 (2) IN DETERMINING THE BASIS FOR AND THE AMOUNT OF THE TAX OR  
2 FEE, THE COST OF AN IMPROVEMENT MAY BE CALCULATED AND LEVIED:

3 (I) EQUALLY PER FRONT FOOT, LOT, PARCEL, DWELLING UNIT,  
4 OR SQUARE FOOT;

5 (II) ACCORDING TO THE VALUE OF THE PROPERTY AS  
6 DETERMINED BY THE COUNTY COMMISSIONERS, WITH OR WITHOUT REGARD TO  
7 IMPROVEMENTS ON THE PROPERTY; OR

8 (III) IN ANY OTHER REASONABLE MANNER THAT RESULTS IN  
9 FAIRLY ALLOCATING THE COST OF THE INFRASTRUCTURE IMPROVEMENTS.

10 (3) THE COUNTY COMMISSIONERS MAY PROVIDE BY ORDINANCE OR  
11 RESOLUTION FOR:

12 (I) A MAXIMUM AMOUNT TO BE ASSESSED WITH RESPECT TO ANY  
13 PARCEL OF PROPERTY LOCATED WITHIN A COMMUNITY DEVELOPMENT  
14 AUTHORITY;

15 (II) A TAX YEAR OR OTHER DATE AFTER WHICH NO FURTHER  
16 SPECIAL TAXES OR FEES UNDER THIS SECTION SHALL BE LEVIED OR COLLECTED ON  
17 A PARCEL; AND

18 (III) THE CIRCUMSTANCES UNDER WHICH THE SPECIAL TAX OR  
19 FEE LEVIED AGAINST ANY PARCEL MAY BE INCREASED, IF AT ALL, AS A  
20 CONSEQUENCE OF DELINQUENCY OR DEFAULT BY THE OWNER OF THAT PARCEL  
21 OR ANY OTHER PARCEL WITHIN THE COMMUNITY DEVELOPMENT AUTHORITY.

22 (4) THE COUNTY COMMISSIONERS MAY REQUIRE SPECIAL TAXES OR  
23 FEES TO BE PAID EITHER PERIODICALLY OVER THE TERMS OF THE BONDS OR IN  
24 ONE LUMP SUM AMOUNT DUE AT THE SALE OF A LOT, THE ISSUANCE OF A BUILDING  
25 PERMIT, OR THE OCCURRENCE OF ANOTHER EVENT.

26 (5) THE COUNTY COMMISSIONERS MAY IMPOSE OR LEVY TAXES OR  
27 FEES IN DIFFERENT AMOUNTS WITHIN A COMMUNITY DEVELOPMENT AUTHORITY  
28 TO REFLECT THE EXTENT TO WHICH DIFFERENT PARCELS OF PROPERTY BENEFIT  
29 DIFFERENTLY FROM THE INFRASTRUCTURE IMPROVEMENTS BEING FINANCED OR  
30 OTHER APPROPRIATE DISTINCTIONS AMONG PARCELS OF PROPERTY. THE COUNTY  
31 COMMISSIONERS MAY CREATE SUBAUTHORITIES WITHIN A COMMUNITY  
32 DEVELOPMENT AUTHORITY TO FACILITATE THE LEVY OR IMPOSITION OF TAXES OR  
33 FEES AT DIFFERENT RATES OR LEVELS WITHIN THE AUTHORITY.

34 (6) THE COUNTY COMMISSIONERS BY ORDINANCE OR RESOLUTION  
35 MAY ESTABLISH PROCEDURES ALLOWING FOR THE PREPAYMENT OF SPECIAL  
36 TAXES OR FEES UNDER THIS SUBSECTION.

37 (7) SPECIAL TAXES OR FEES LEVIED UNDER THIS SUBSECTION SHALL  
38 BE COLLECTED AND SECURED IN THE SAME MANNER AS GENERAL AD VALOREM  
39 TAXES UNLESS OTHERWISE PROVIDED IN THE ORDINANCE OR RESOLUTION AND  
40 SHALL BE SUBJECT TO THE SAME PENALTIES AND THE SAME PROCEDURE, SALE,



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1 AND LIEN PRIORITY IN CASE OF DELINQUENCY AS IS PROVIDED FOR GENERAL AD  
2 VALOREM TAXES.

3 (O) BEFORE THE COUNTY COMMISSIONERS MAY DESIGNATE AN AREA  
4 WHOLLY OR PARTLY WITHIN A MUNICIPAL CORPORATION AS A COMMUNITY  
5 DEVELOPMENT AUTHORITY, THE GOVERNING BODY OF THE MUNICIPAL  
6 CORPORATION MUST CONSENT TO THE DESIGNATION.

7 (P) BONDS ISSUED UNDER THIS SECTION ARE A SPECIAL OBLIGATION OF THE  
8 COUNTY AND MAY NOT CONSTITUTE A GENERAL OBLIGATION DEBT OF THE  
9 COUNTY OR A PLEDGE OF THE COUNTY'S FULL FAITH AND CREDIT OR TAXING  
10 POWER.

11 (Q) NOTWITHSTANDING ANY LIMITATIONS OR OTHER PROVISIONS TO THE  
12 CONTRARY UNDER ARTICLE 25 OF THE ANNOTATED CODE OF MARYLAND OR  
13 UNDER OTHER PUBLIC GENERAL OR PUBLIC LOCAL LAW, THE COUNTY MAY ENTER  
14 INTO CONTRACTS TO IMPLEMENT THIS SECTION, INCLUDING, WITHOUT  
15 LIMITATION, CONTRACTS PROVIDING FOR THE CONSTRUCTION OR OPERATION OF  
16 INFRASTRUCTURE IMPROVEMENTS FINANCED UNDER THIS SECTION.

17 (R) THIS SECTION SHALL APPLY ONLY IN:

18 (1) THE NEW MARKET (NO. 9) ELECTION DISTRICT;

19 (2) THE MT. PLEASANT (NO. 13) ELECTION DISTRICT; AND

20 (3) THAT LAND ZONED PLANNED UNIT DEVELOPMENT (PUD) OR  
21 OFFICE, RESEARCH, INDUSTRIAL (ORI) AS OF JANUARY 1, 1997, AND LOCATED  
22 WITHIN THE URBANA (NO. 7) ELECTION DISTRICT.

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
24 July 1, 1997.