

CF 7r2464

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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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Committee Report: Favorable

House action: Adopted

Read second time: March 10, 1997

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CHAPTER \_\_\_\_

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:

2

1 **Article 11 - Frederick County**

2 ARTICLE VI. COMMUNITY DEVELOPMENT AUTHORITIES

3 2-7-125.

4 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS  
5 INDICATED.

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

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

10 (I) CONSTRUCTION, RECONSTRUCTION, RENOVATION, AND  
11 ACQUISITION OF ALL LANDS, STRUCTURES, REAL OR PERSONAL PROPERTY, RIGHTS,  
12 RIGHTS-OF-WAY, FRANCHISES, EASEMENTS, AND INTERESTS ACQUIRED OR TO BE  
13 ACQUIRED BY THE COUNTY OR ANOTHER ENTITY APPROVED BY THE COUNTY  
14 COMMISSIONERS;

15 (II) MACHINERY AND EQUIPMENT, INCLUDING MACHINERY AND  
16 EQUIPMENT NEEDED TO EXPAND OR ENHANCE COUNTY SERVICES TO THE  
17 COMMUNITY DEVELOPMENT AUTHORITY;

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

24 (IV) EXTENSIONS, ENLARGEMENTS, ADDITIONS, AND  
25 IMPROVEMENTS;

26 (V) ARCHITECTURAL, ENGINEERING, FINANCIAL, AND LEGAL  
27 SERVICES;

28 (VI) PLANS, SPECIFICATIONS, STUDIES, SURVEYS, AND ESTIMATES  
29 OF COST AND OF REVENUES;

30 (VII) ADMINISTRATIVE EXPENSES NECESSARY OR INCIDENT TO  
31 DETERMINING WHETHER TO PROCEED WITH INFRASTRUCTURE IMPROVEMENTS;  
32 AND

33 (VIII) OTHER EXPENSES AS MAY BE NECESSARY OR INCIDENT TO  
34 THE CONSTRUCTION, ACQUISITION, AND FINANCING OF INFRASTRUCTURE  
35 IMPROVEMENTS.

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

3

1 (I) CREATE A COMMUNITY DEVELOPMENT AUTHORITY;

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

3 (III) ISSUE BONDS AND OTHER OBLIGATIONS.

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

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

27 (I) THE OWNERS OF AT LEAST TWO-THIRDS OF THE ASSESSED  
28 VALUATION OF THE REAL PROPERTY LOCATED WITHIN THE COMMUNITY  
29 DEVELOPMENT AUTHORITY; AND

30 (II) AT LEAST TWO-THIRDS OF THE OWNERS OF THE REAL  
31 PROPERTY LOCATED WITHIN THE COMMUNITY DEVELOPMENT AUTHORITY,  
32 PROVIDED THAT:

33 1. MULTIPLE OWNERS OF A SINGLE PARCEL ARE TREATED  
34 AS ONE OWNER; AND

35 2. A SINGLE OWNER OF MULTIPLE PARCELS IS TREATED AS  
36 ONE OWNER.

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

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

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

3 (I) ESTABLISH SINKING FUNDS;

4 (II) ESTABLISH DEBT SERVICE RESERVE FUNDS;

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

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

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

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

14 (II) COSTS OF ISSUING BONDS;

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

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

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

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

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

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

36 (2) AD VALOREM TAXES LEVIED UNDER THIS SECTION SHALL BE  
37 LEVIED IN THE SAME MANNER, UPON THE SAME ASSESSMENTS, FOR THE SAME  
38 PERIOD OR PERIODS, AND AS OF THE SAME DATE OR DATES OF FINALITY AS ARE  
39 GENERAL AD VALOREM TAXES WITHIN THE COMMUNITY DEVELOPMENT

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1 AUTHORITY AND SHALL BE DISCONTINUED WHEN ALL OF THE BONDS HAVE BEEN  
2 PAID IN FULL. SPECIAL TAXES OR FEES SHALL BE LEVIED PURSUANT TO  
3 SUBSECTION (N) OF THIS SECTION.

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

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

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

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

13 (1) THE COMMUNITY DEVELOPMENT AUTHORITY SHALL BE  
14 TERMINATED; AND

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

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

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

23 (II) SPECIFIES THE MAXIMUM PRINCIPAL AMOUNT OF THE BONDS  
24 TO BE ISSUED;

25 (III) SPECIFIES THE MAXIMUM RATE OR RATES OF INTEREST FOR  
26 THE BONDS; AND

27 (IV) AGREES TO A COVENANT TO LEVY UPON ALL REAL OR  
28 PERSONAL PROPERTY WITHIN THE COMMUNITY DEVELOPMENT AUTHORITY AD  
29 VALOREM TAXES OR SPECIAL TAXES OR FEES IN RATE AND AMOUNT AT LEAST  
30 SUFFICIENT IN EACH YEAR IN WHICH ANY OF THE BONDS ARE OUTSTANDING TO  
31 PROVIDE FOR THE PAYMENT OF THE PRINCIPAL OF AND THE INTEREST ON THE  
32 BONDS.

33 (2) THE ORDINANCE OR RESOLUTION MAY REQUIRE OR MAY  
34 AUTHORIZE THE COUNTY MANAGER TO SPECIFY AS THE COUNTY MANAGER DEEMS  
35 APPROPRIATE TO EFFECT THE FINANCING OF THE PROPOSED UNDERTAKING:

36 (I) THE ACTUAL PRINCIPAL AMOUNT OF THE BONDS TO BE  
37 ISSUED;

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

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

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

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

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

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

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

14 (IX) ANY OTHER PROVISIONS NOT INCONSISTENT WITH THIS  
15 SECTION AS SHALL BE DETERMINED BY THE COUNTY COMMISSIONERS TO BE  
16 NECESSARY OR DESIRABLE TO EFFECT THE FINANCING OF THE PROPOSED  
17 UNDERTAKING.

18 (3) AN ORDINANCE OR RESOLUTION AUTHORIZING THE BONDS  
19 REQUIRED UNDER THIS SUBSECTION, ANY ORDINANCE OR RESOLUTION ADOPTED  
20 IN FURTHERANCE OF THE REQUIRED ORDINANCE OR RESOLUTION, THE BONDS,  
21 THE DESIGNATION OF A COMMUNITY DEVELOPMENT AUTHORITY, OR THE LEVY OF  
22 A SPECIAL AD VALOREM TAX OR SPECIAL TAX OR FEE SHALL BE SUBJECT TO THE  
23 REQUEST OF THE PROPERTY OWNERS AS SPECIFIED UNDER SUBSECTION (C) OF  
24 THIS SECTION.

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

35 (H) THE PRINCIPAL AMOUNT OF THE BONDS, THE INTEREST PAYABLE ON  
36 THE BONDS, THEIR TRANSFER, AND ANY INCOME DERIVED FROM THE TRANSFER,  
37 INCLUDING ANY PROFIT MADE IN THE SALE OR TRANSFER OF THE BONDS, SHALL  
38 BE EXEMPT FROM TAXATION BY THE STATE AND BY THE COUNTIES AND MUNICIPAL  
39 CORPORATIONS OF THE STATE, BUT SHALL BE INCLUDED, TO THE EXTENT  
40 REQUIRED UNDER TITLE 8, SUBTITLE 2, OF THE TAX - GENERAL ARTICLE OF THE  
41 ANNOTATED CODE OF MARYLAND, IN COMPUTING THE NET EARNINGS OF  
42 FINANCIAL INSTITUTIONS.

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

7 (2) BONDS SHALL BE SIGNED MANUALLY OR IN FACSIMILE BY THE  
8 PRESIDENT OR VICE PRESIDENT OF THE BOARD OF COUNTY COMMISSIONERS, AND  
9 THE SEAL OF THE COUNTY SHALL BE AFFIXED TO THE BONDS AND ATTESTED TO BY  
10 THE COUNTY MANAGER OR OTHER SIMILAR ADMINISTRATIVE OFFICER OF THE  
11 COUNTY. IF ANY OFFICER WHOSE SIGNATURE OR COUNTERSIGNATURE APPEARS  
12 ON THE COUPONS CEASES TO BE SUCH OFFICER BEFORE DELIVERY OF THE BONDS,  
13 THE OFFICER'S SIGNATURE OR COUNTERSIGNATURE SHALL NEVERTHELESS BE  
14 VALID AND SUFFICIENT FOR ALL PURPOSES THE SAME AS IF THE OFFICER HAD  
15 REMAINED IN OFFICE UNTIL DELIVERY.

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

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

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

25 (1) IN WHICH ALL PUBLIC OFFICERS AND PUBLIC BODIES OF THE STATE  
26 AND ITS POLITICAL SUBDIVISIONS, ALL INSURANCE COMPANIES, STATE BANKS AND  
27 TRUST COMPANIES, NATIONAL BANKING ASSOCIATIONS, SAVINGS BANKS, SAVINGS  
28 AND LOAN ASSOCIATIONS, INVESTMENT COMPANIES, EXECUTORS,  
29 ADMINISTRATORS, TRUSTEES, AND OTHER FIDUCIARIES MAY PROPERLY AND  
30 LEGALLY INVEST FUNDS, INCLUDING CAPITAL IN THEIR CONTROL OR BELONGING  
31 TO THEM; AND

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

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

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

42 (M) BEFORE THE FINAL ADOPTION OF AN ORDINANCE OR RESOLUTION  
43 UNDER THIS SECTION THAT DESIGNATES A COMMUNITY DEVELOPMENT

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1 AUTHORITY, AUTHORIZES THE ISSUANCE OF BONDS, OR LEVIES AD VALOREM  
2 TAXES OR SPECIAL TAXES OR FEES, THE COUNTY COMMISSIONERS SHALL HOLD A  
3 PUBLIC HEARING AFTER GIVING NOT LESS THAN 10 DAYS NOTICE IN A NEWSPAPER  
4 OF GENERAL CIRCULATION IN THE COUNTY.

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

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

11 (I) EQUALLY PER FRONT FOOT, LOT, PARCEL, DWELLING UNIT,  
12 OR SQUARE FOOT;

13 (II) ACCORDING TO THE VALUE OF THE PROPERTY AS  
14 DETERMINED BY THE COUNTY COMMISSIONERS, WITH OR WITHOUT REGARD TO  
15 IMPROVEMENTS ON THE PROPERTY; OR

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

18 (3) THE COUNTY COMMISSIONERS MAY PROVIDE BY ORDINANCE OR  
19 RESOLUTION FOR:

20 (I) A MAXIMUM AMOUNT TO BE ASSESSED WITH RESPECT TO ANY  
21 PARCEL OF PROPERTY LOCATED WITHIN A COMMUNITY DEVELOPMENT  
22 AUTHORITY;

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

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

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

34 (5) THE COUNTY COMMISSIONERS MAY IMPOSE OR LEVY TAXES OR  
35 FEES IN DIFFERENT AMOUNTS WITHIN A COMMUNITY DEVELOPMENT AUTHORITY  
36 TO REFLECT THE EXTENT TO WHICH DIFFERENT PARCELS OF PROPERTY BENEFIT  
37 DIFFERENTLY FROM THE INFRASTRUCTURE IMPROVEMENTS BEING FINANCED OR  
38 OTHER APPROPRIATE DISTINCTIONS AMONG PARCELS OF PROPERTY. THE COUNTY  
39 COMMISSIONERS MAY CREATE SUBAUTHORITIES WITHIN A COMMUNITY  
40 DEVELOPMENT AUTHORITY TO FACILITATE THE LEVY OR IMPOSITION OF TAXES OR  
41 FEES AT DIFFERENT RATES OR LEVELS WITHIN THE AUTHORITY.



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

4 (7) SPECIAL TAXES OR FEES LEVIED UNDER THIS SUBSECTION SHALL  
5 BE COLLECTED AND SECURED IN THE SAME MANNER AS GENERAL AD VALOREM  
6 TAXES UNLESS OTHERWISE PROVIDED IN THE ORDINANCE OR RESOLUTION AND  
7 SHALL BE SUBJECT TO THE SAME PENALTIES AND THE SAME PROCEDURE, SALE,  
8 AND LIEN PRIORITY IN CASE OF DELINQUENCY AS IS PROVIDED FOR GENERAL AD  
9 VALOREM TAXES.

10 (O) BEFORE THE COUNTY COMMISSIONERS MAY DESIGNATE AN AREA  
11 WHOLLY OR PARTLY WITHIN A MUNICIPAL CORPORATION AS A COMMUNITY  
12 DEVELOPMENT AUTHORITY, THE GOVERNING BODY OF THE MUNICIPAL  
13 CORPORATION MUST CONSENT TO THE DESIGNATION.

14 (P) BONDS ISSUED UNDER THIS SECTION ARE A SPECIAL OBLIGATION OF THE  
15 COUNTY AND MAY NOT CONSTITUTE A GENERAL OBLIGATION DEBT OF THE  
16 COUNTY OR A PLEDGE OF THE COUNTY'S FULL FAITH AND CREDIT OR TAXING  
17 POWER.

18 (Q) NOTWITHSTANDING ANY LIMITATIONS OR OTHER PROVISIONS TO THE  
19 CONTRARY UNDER ARTICLE 25 OF THE ANNOTATED CODE OF MARYLAND OR  
20 UNDER OTHER PUBLIC GENERAL OR PUBLIC LOCAL LAW, THE COUNTY MAY ENTER  
21 INTO CONTRACTS TO IMPLEMENT THIS SECTION, INCLUDING, WITHOUT  
22 LIMITATION, CONTRACTS PROVIDING FOR THE CONSTRUCTION OR OPERATION OF  
23 INFRASTRUCTURE IMPROVEMENTS FINANCED UNDER THIS SECTION.

24 (R) THIS SECTION SHALL APPLY ONLY IN:

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

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

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

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