A BILL ENTITLED

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

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

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

WHEREAS, pursuant to § 4-7-204(aa)(2) of the County Code, the purposes of the Gibson Island Special Community Benefit District include “construction, maintenance, and repair of non-County-owned roads, streets, causeways, alleys, sidewalks, street or road signs, street or road lights, drainage ditches, storm drains, and culverts; shore erosion control, prevention, protection, and repair; acquisition, improvement, maintenance, and construction of community owned real and personal property;….and the administrative expenses incidental to carrying out these purposes, including repayment of any loan, interest thereon, and any necessary insurance costs”; and

WHEREAS, the Gibson Island Corporation (the “Corporation”) is the civic or community association that meets the requirements of § 4-7-101(d) that administers the District; and

WHEREAS, the Corporation is entering into a loan agreement with M&T Bank in the amount of $11,450,000, with a term of ten (10) years, to be used to refinance
an existing loan for the construction of community-owned facilities (a boat house, guest cottages, and a club house) on community-owned property, previously approved by Bill Nos. 11-15 and 52-16, and to fund repairs and improvements to a non-County-owned causeway (the “Loan”); and

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

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

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

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

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

READ AND PASSED this 16th day of May, 2022

By Order:

Laura Corby
Administrative Officer

PRESENTED to the County Executive for his approval this 17th day of May, 2022

Laura Corby
Administrative Officer
APPROVED AND ENACTED this 18th day of May, 2022

Stuart Pittman
County Executive

EFFECTIVE DATE: July 2, 2022

I HEREBY CERTIFY THAT THIS IS A TRUE AND CORRECT COPY OF BILL NO. 35-22 THE ORIGINAL OF WHICH IS RETAINED IN THE FILES OF THE COUNTY COUNCIL.

Laura Corby
Administrative Officer