

Introduced: Ms. Davis
1st Reading: October 8, 2018
Passed: October 22, 2018
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Effective: October 22, 2018

ORDINANCE NUMBER 1365

AN ORDINANCE AUTHORIZING AND EMPOWERING THE CITY OF GREENBELT, MARYLAND (THE "CITY") TO ISSUE UP TO \$8,000,000.00 OF ITS SPECIAL OBLIGATION BONDS AT A MAXIMUM INTEREST RATE NOT TO EXCEED 8% PER ANNUM IN ORDER TO FINANCE OR REIMBURSE THE COST OF CERTAIN PUBLIC IMPROVEMENTS RELATING TO THE DEVELOPMENT DISTRICT KNOWN AS THE GREENBELT STATION DEVELOPMENT DISTRICT AND THE SPECIAL TAXING DISTRICT KNOWN AS THE GREENBELT STATION SPECIAL TAXING DISTRICT AND OTHER COSTS PERMITTED UNDER THE ACTS (AS IDENTIFIED HEREIN); PROVIDING THAT SUCH BONDS AND THE INTEREST THEREON SHALL NEVER CONSTITUTE A GENERAL OBLIGATION OF THE CITY OR A PLEDGE OF ITS FULL FAITH AND CREDIT; PROVIDING FOR THE FURTHER SPECIFICATION, PRESCRIPTION, DETERMINATION, PROVISION FOR OR APPROVAL OF VARIOUS OTHER MATTERS, DETAILS, DOCUMENTS AND PROCEDURES IN CONNECTION WITH THE AUTHORIZATION, ISSUANCE, SECURITY, SALE AND PAYMENT FOR ANY SUCH BONDS; MAKING CERTAIN LEGISLATIVE FINDINGS; AND GENERALLY PROVIDING FOR THE LEVY, IMPOSITION, COLLECTION AND APPLICATION OF SUCH SPECIAL TAX AND THE ISSUANCE OF SPECIAL OBLIGATION BONDS IN ACCORDANCE WITH THE ACTS IDENTIFIED HEREIN.

Sections 12-201 et seq. of the Economic Development Article of the Annotated Code of Maryland (as amended from time to time, the "Tax Increment Financing Act") authorize the Mayor and City Council of the City of Greenbelt, Maryland (the "City") to establish a "development district" (as such term is used in the Tax Increment Financing Act) and a "special fund" (as such term is used in the Tax Increment Financing Act) into which the "tax increment" (as such term is used in the Tax Increment Financing Act) of properties located in such development district is deposited, and to issue bonds, the proceeds of which may be used only (1) to buy, lease, condemn, or otherwise acquire property, or an interest in property: (i) in the development district or a sustainable community; or (ii) needed for a right-of-way or other easement to or from the development district or a sustainable community; (2) for site removal; (3) for surveys and studies; (4) to relocate businesses or residents; (5) to install utilities, construct parks and playgrounds, and for other needed improvements including: (i) roads to, from, or in the development district; (ii) parking; and (iii) lighting; (6) to construct or rehabilitate buildings for a governmental purpose or use; (7) for reserves or capitalized interest; (8) for necessary costs to issue bonds (as such term is used in the Tax Increment Financing Act); and (9) to pay the principal of and interest on loans, advances, or indebtedness that that the City incurs for any of the foregoing purposes.

The Tax Increment Financing Act provides that the bonds shall be payable from the special fund and the City may also establish sinking funds and debt service reserve funds, and pledge other assets and revenues toward the payment of the bonds.

Sections 21-407 et seq. of the Local Government Article of the Annotated Code of Maryland (as amended from time to time, the "Special Taxing District Act" and", together with the Tax Increment

Financing Act, the “Acts”) authorize municipal corporations, including the City, to create a “special taxing district” (as such term is used in the Special Taxing District Act), to impose ad valorem taxes or special taxes on all real and personal property within the special taxing district and to issue its “bonds” (as such term is used in the Special Taxing District Act) for the purpose of financing, refinancing or reimbursing the “cost” (as such term is used in the Special Taxing District Act) of establishing, acquiring, designing, constructing, altering, or extending adequate infrastructure improvements as necessary for the development and use of land in any defined geographic region in the municipality, including storm drainage systems, sewers, water systems, roads, bridges, culverts, tunnels, sidewalks, lighting, parking, parks and recreation facilities, libraries, and schools, whether situated within the special taxing district or in the municipality, outside the special taxing district if the infrastructure improvement is reasonably related to other infrastructure improvements in the special taxing district.

The bonds authorized to be issued by the Special Taxing District Act are special obligations of the City payable from a special fund created by the City for the purpose of paying debt service on the bonds, from sinking funds and debt service reserve funds established therefor, and from other assets or revenues, if any, pledged by the City for that purpose.

Prior to issuing and selling bonds for the purposes allowed under the Special Taxing District Act, a request must be made to the City by both (i) at least two-thirds of the owners of the real property located within the special taxing district, provided that: (A) multiple owners of a single parcel are treated as a single owner and (B) a single owner of multiple parcels is treated as one owner; and (ii) the owners of at least two-thirds of the assessed valuation of the real property located within the special taxing district.

Before issuing bonds under the Special Taxing District Act, the governing body of the City is required to designate by resolution an area as a “special taxing district”, to adopt a resolution creating a special fund with respect to the special taxing district, to provide for the imposition of an ad valorem tax or special tax on all real and personal property within the special taxing district, and to pledge that it will pay such ad valorem tax or special tax into the special fund.

NVR MS Cavalier Greenbelt, LLC, a Delaware limited liability company (“NVR MS”), NVR, Inc., d/b/a NVHomes, a Virginia corporation (“NVHomes”), and NVR, Inc., d/b/a Ryan Homes, a Virginia corporation (“Ryan Homes” and, collectively with NVR MS and NVHomes, the “Owners”), are the owners of the real property identified by reference to the metes and bounds description set forth on Exhibit A to the Designation Resolution (the “Development District Property” or the “Special Taxing District Property” or the “Property”). The Property forms a contiguous area and is located entirely within the geographic boundaries of the City.

CoastOak Group and Woodlawn Development Group (collectively, the “Developers”), as the developers of the Project (hereinafter defined), propose to develop the Property as a master planned residential development to be known as Greenbelt Station (or another trade name) (the “Project”) and to enter into a development agreement with the City pursuant to which the Developers will construct certain public improvements for the Project, including, without limitation, the public improvements listed and described in Exhibit A to this Ordinance (the “Public Improvements”).

The development of the Project will require the provision of the Public Improvements.

Representatives of the Developers have held discussions with representatives of the City as to the scope of, and any initial financing or reimbursement for, a portion of the contemplated Public Improvements, pursuant to the creation of a development district and a special taxing district as provided in the Acts, and the issuance of bonds pursuant to the combined authority of such Acts; provided that only costs

authorized under both of the Acts would be financed or reimbursed from the proceeds of bonds issued pursuant to the Acts.

Representatives of the Developers have represented that the proposed development of the Property and the provision of Public Improvements would not be possible but for the creation of the Districts and the issuance of bonds under the Acts.

Representatives of the Owners and Atapco Properties, Inc., a Maryland corporation (collectively the "Petitioners"), have proposed that (1) the entire Development District Property be designated as a development district and the geographically coincident Special Taxing District Property be designated as a special taxing district pursuant to the respective Acts; (2) the bonds to be issued to finance or reimburse the costs of the Public Improvements be repaid in the first instance through real property tax revenues allocable to the tax increment with respect to the Development District Property pursuant to the Tax Increment Financing Act; and (3) if the assessed valuation of the Development District Property in any year is not sufficient to generate tax increment revenues so that 50% (or such lower percentage as may be determined by the City) of such tax increment revenues will at least equal the amount necessary to repay such bonds, the City will impose special taxes or ad valorem taxes on the Special Taxing District Property pursuant to the Special Taxing District Act to repay the bonds.

In accordance with the Special Taxing District Act, the Petitioners have submitted to the City a request entitled "Request to Create and Establish a Special Taxing District, Levy and Impose Special Taxes on the Property in the Special Taxing District, and Issue Special Obligation Bonds" (the "Request"). A copy of the Request has been submitted to the Council of the City (the "Council of City") prior to the introduction of the Designation Resolution (as defined below). The Petitioners represented and warranted in the Request that they are (i) the owners of at least two-thirds of the assessed valuation of the real property located in the proposed special taxing district and (ii) at least two-thirds of the owners of the real property located in the proposed special taxing district, calculated in accordance with the Special Taxing District Act.

Pursuant to the Request, the Petitioners have asked the City (i) to establish a special taxing district consisting of the entire Special Taxing District Property to be known as the "Greenbelt Station Special Taxing District" (the "Greenbelt Station Special Taxing District"), (ii) to create and establish a special fund with respect to the Greenbelt Station Special Taxing District, (iii) to undertake to issue, and issue, its bonds as special obligations of the City under the authority of the Special Taxing District Act from time to time in one or more series pursuant to the Special Taxing District Act (including, without limitation, bonds to finance or refinance the completion of the improvements described in the Request and refunding bonds) for the Project, to the extent such costs are permitted to be so financed or reimbursed by the Special Taxing District Act, which identified public improvements include the Public Improvements, such improvements and related infrastructure to be located within or outside (if the infrastructure improvement is reasonably related to other infrastructure improvements in the Greenbelt Station Special Taxing District) the Greenbelt Station Special Taxing District, as applicable, and other expenses permitted by the Special Taxing District Act and applicable law and (iv) to levy and impose special taxes on the property in the Greenbelt Station Special Taxing District pursuant to the Special Taxing District Act, at the rates and in the amounts to be determined pursuant to a Rate and Method identified herein.

The City, following a public hearing held prior to the adoption of this Ordinance pursuant to notice published in a newspaper of general circulation in the City not less than 10 days before such hearing, has determined that a need exists in the City for public improvements in connection with the proposed development of the Development District Property and the Special Taxing District Property and that the economy of the City will benefit from the development of such property.

Pursuant to Resolution No. 2018 passed by the Council of the City on April 7, 2014, and effective on April 17, 2014 (the "Designation Resolution"), the City has designated the Property as a "development district" to be known as the "Greenbelt Station Development District" (the "Greenbelt Station Development District") for the purposes of the Tax Increment Financing Act and as a geographically coincident "special taxing district" to be known as the "Greenbelt Station Special Taxing District" (the "Greenbelt Station Special Taxing District," and together with the Greenbelt Station Development District, the "Districts") for the purposes of the Special Taxing District Act.

The Designation Resolution contemplates that special obligation bonds may be issued by the City pursuant to the authority of both Acts for the purposes of providing funds for the activities related to the Districts as authorized by the Acts and other applicable law.

Pursuant to the Designation Resolution, the City established a special fund as required by the Tax Increment Financing Act designated as the "Greenbelt Station Tax Increment Fund" (the "Greenbelt Station Tax Increment Fund"), and will determine certain other matters with respect to the Greenbelt Station Tax Increment Fund as required by the Tax Increment Financing Act.

Pursuant to the Designation Resolution, the City established a special fund as required by the Special Taxing District Act designated as the "Greenbelt Station Special Taxes Fund" (the "Greenbelt Station Special Taxes Fund"), and will determine certain other matters with respect to the Greenbelt Station Special Taxes Fund as required by the Special Taxing District Act.

Pursuant to the Designation Resolution, before issuing any bonds with respect to the Greenbelt Station Special Taxing District, the City, as required by the Special Taxing District Act, levied an ad valorem tax or a special tax on all real property within the Greenbelt Station Special Taxing District and pledged that it shall pay such ad valorem tax or special tax to the Greenbelt Station Special Taxes Fund.

Pursuant to Section 12-204 of the Tax Increment Financing Act and Section 21-417 of the Special Taxing District Act, the City may implement its authority under such Acts to issue its bonds for the purpose of financing, refinancing or reimbursing the costs of public improvements benefiting the Districts and certain related costs authorized by the Acts, by passing an ordinance which, among other matters, specifies and describes the proposed undertaking and states that it has complied with certain conditions precedent to the issuance of the bonds, specifies the maximum principal amount of the bonds to be issued, and specifies the maximum rate of interest for the bonds.

By enactment of this Ordinance, the City desires to provide for the issuance of its special obligation bonds, notes or other similar instruments in one or more series from time to time in an aggregate principal amount not to exceed Eight Million Dollars (\$8,000,000) (collectively, the "Bonds") in order to finance initially or reimburse the cost (within the meaning of the Acts) of public improvements benefiting the Districts and related financing costs or costs of issuing the Bonds, including the funding of a debt service reserve fund or payment of interest before, during or for a limited period of time after constructing the infrastructure improvements.

In order to provide for the payment of the principal of and interest on the Bonds, pursuant to the Designation Resolution, the City has (i) pledged that portion of the property taxes on real property located within the Greenbelt Station Development District representing the levy on the Tax Increment (as defined in the Designation Resolution) shall be paid into the Greenbelt Station Tax Increment Fund when collected and applied in accordance with Section 10 of the Designation Resolution and Section 12-209 of the Tax Increment Financing Act and (ii) levied, imposed and collected, pursuant to Section 21-414 of the Special Taxing District Act, a special tax designated the "Greenbelt Station Special Tax" (the "Greenbelt Station Special Tax") upon all real and personal property within the Greenbelt Station Special Taxing

District, unless otherwise provided by law or by the provisions of the Designation Resolution, for the purposes, to the extent and in the manner therein provided, contingent upon the issuance and sale of any Bonds, and to the extent that 50% (or such lower percentage as may be determined by the City) of the moneys on deposit in the Greenbelt Station Tax Increment Fund or otherwise available for such purposes under any trust indenture for any such Bonds are insufficient (A) to cover debt service on the Bonds, (B) to replenish any debt service reserve fund or (C) for any authorized purpose relating to the ongoing expenses of or security for the Bonds, at a rate or rates and amount designed to provide, together with 50% (or such lower percentage as may be determined by the City) of the moneys anticipated to be on deposit in the Greenbelt Station Tax Increment Fund, adequate revenues at least sufficient in each year in which any of the Bonds are outstanding to pay the principal of, interest on, and redemption premium, if any, on the Bonds, to replenish any debt service reserve fund, and for any other purpose relating to the ongoing expenses of or security for the Bonds, and to take certain other actions pursuant to the authority of the Acts, as provided in the City of Greenbelt, Maryland Greenbelt Station Special Taxing District – Rate and Method of Apportionment of Special Taxes, attached to the Designation Resolution as Exhibit C and incorporated by reference therein as though set forth in full therein (the “Rate and Method”).

Prior to issuing any Bonds relating to the Districts, the City is required to enact this Ordinance in order to comply with certain provisions of the Acts.

Prior to enacting this Ordinance, the Council of the City held a public hearing after giving not less than ten (10) days’ notice in a newspaper of general circulation in the City in accordance with Section 21-412 of the Special Taxing District Act.

Prior to enacting this ordinance, the Council of the City complied with the provisions of the Acts, including but not limited to Sections 12-203 and 12-208(c) and (d) and 12-204 of the Tax Increment Financing Act and Sections 21-412, 21-414, and 21-417 of the Special Taxing District Act, requiring certain actions to be performed prior to the issuance of any Bonds.

The City desires that this Ordinance shall serve as a declaration of official intent within the meaning of, and for the purposes set forth in, U.S. Treasury Regulation Section 1.150-2 (the “Reimbursement Regulations”).

BE IT ORDAINED by the Council of the City of Greenbelt, that:

SECTION 1. For the purposes of this Ordinance:

- (a) The Recitals to this Ordinance (the “Recitals”) are deemed a substantive part of this Ordinance and are incorporated by reference herein, and capitalized terms defined in the Recitals and used herein shall have the meanings given to such terms in the Recitals.
- (b) The following terms used in the Recitals and elsewhere in this Ordinance shall have the meanings given to such terms in the respective Acts: “development district”, “tax increment”, “special taxing district”, “cost”, “infrastructure improvements”, “bonds”, “special fund”, “ad valorem tax” and “special tax”; and references to “public improvements” herein are deemed to refer to costs and activities permitted to be financed and refinanced by both of the Acts, including (without limitation) “infrastructure improvements”, as such term is used in the Special Taxing District Act.

- (c) The findings and determinations set forth in Section 2 of the Designation Resolution are hereby ratified and confirmed with respect to the subject matter of this Ordinance and the issuance of the Bonds provided for herein.
- (d) The issuance of Bonds for the purpose of providing funds initially to finance or reimburse the costs of public improvements benefiting the Districts serves the public purposes of providing public improvements within the City, directly and indirectly enhancing the taxable base of the City, encouraging the development of residential areas, commerce and industry within the City, increasing the general health and welfare of the residents of the City and increasing employment within the City through the construction of the Project and the expected increased commercial activity within and outside the Districts.
- (e) The public improvements proposed to be initially financed with or reimbursed from Bond proceeds include, but are not limited to, the construction of road improvements, utilities and other public infrastructure as more particularly described in Exhibit A hereof.
- (f) The Public Improvements, in addition to providing general public benefits to the City and its citizens, specifically benefit the properties located in the Districts by providing needed infrastructure improvements for the use of the residents and businesses located or to be located on such properties and their visitors and invitees and the general public.
- (g) By the adoption of the Designation Resolution, the City took all necessary actions contemplated by the Tax Increment Financing Act to provide for the segregation and deposit in the Tax Increment Fund of that portion of the taxes representing the levy on the Tax Increment of properties located in the Development District, and by this Ordinance the City hereby reiterates its pledge and covenants to so levy, collect and segregate such revenues for the benefit of the holders of the Bonds.
- (h) By the adoption of the Designation Resolution and enactment of this Ordinance, the City has complied with the provisions of the Acts, including but not limited to Section 12-204 of the Tax Increment Financing Act and Section 21-417 of the Special Taxing District Act, requiring certain actions to be performed prior to the issuance of any Bonds.

SECTION 2: The issuance and sale by the City of the Bonds, from time to time, in one or more series, in an aggregate principal amount not to exceed Eight Million Dollars (\$8,000,000), and bearing interest at a rate of interest not to exceed Eight Percent (8%) per annum, all as may be determined pursuant to this Ordinance, is hereby authorized and approved. The Bonds are authorized hereby to be executed in the name of the City and on its behalf by the Mayor, by his manual or facsimile signature, and the corporate seal of the City shall be imprinted thereon, attested by the City Clerk, by her manual or facsimile signature. Any series of Bonds shall mature not later than thirty (30) years from the date of issuance. The Bonds shall not be an indebtedness of the City for which the City is obligated to levy or pledge, or has levied or pledged, ad valorem taxes or special taxes of the City other than the real property taxes representing the levy on the Tax Increment of properties located in the Development District or the Greenbelt Station Special Tax contemplated by the Designation Resolution and this Ordinance, or, subject to appropriation, to replenish the amounts on deposit in the debt service reserve fund created under the trust indenture for such Bonds to the required debt service reserve level. The Bonds shall be a special obligation of the City and will not constitute a general obligation debt of the City or a pledge of the City's full faith

and credit or taxing power. The only funds the City will be obligated to use to make payment on the Bonds will be those that result from real property taxes levied by the City on the Tax Increment of properties located in the Development District and, to the extent that 50% of such revenues are or will be insufficient to make all required payments on the Bonds, the Greenbelt Station Special Tax levied on and collected from property located in the Greenbelt Station Special Taxing District and from moneys held under the trust indenture for such Bonds (including, without limitation, amounts deposited by the City, subject to appropriation, to the debt service reserve fund created under the trust indenture for such Bonds to replenish the amounts on deposit therein to the required debt service reserve level.

SECTION 3: That prior to the sale, issuance and delivery of any series of the Bonds, the Mayor, by executive order, is hereby authorized, empowered and directed to specify, prescribe, determine, provide for or approve, for the purposes and within the limitations of the Acts and this Ordinance, all matters, details, forms, documents and procedures pertaining to the sale, security, issuance, delivery and payment of or for such Bonds, including, without limitation, the following (references in the following clauses (a) – (r) to the Bonds are deemed to refer to any series of the Bonds):

- (a) The actual principal amount of the Bonds to be issued;
- (b) The actual rate or rates of interest for the Bonds;
- (c) The manner in which and the terms upon which the Bonds are to be sold;
- (d) The manner in which and the times and places that the interest on the Bonds is to be paid;
- (e) The time or times that the Bonds may be executed, issued and delivered;
- (f) The form and tenor of the Bonds and the denominations in which the Bonds may be issued;
- (g) The manner in which and the times and places that the principal of the Bonds is to be paid, within the limitations set forth in the Acts and this Ordinance;
- (h) Provisions pursuant to which any or all of the Bonds may be called for redemption prior to their stated maturity dates;
- (i) Provisions for obtaining insurance for the Bonds or for the issuance of a guaranty, letter or credit, line of credit, or similar credit support for the Bonds;
- (j) The form and contents of, and provisions for the execution and delivery of, such financing or other documents that are not otherwise specifically identified in this Ordinance or the Designation Resolution, and any amendments, modifications or supplements thereto, as the Mayor shall deem necessary or desirable to evidence, secure or effectuate the issuance, sale and delivery of the Bonds, including, without limitation, any trust indenture or trust agreement, any funding or similar agreement, any bond purchase agreement, agreements with consultants to or agents of the City with respect to the Districts or the Bonds, fee agreements, funding agreements, investment agreements, security agreements, assignments, guarantees, financing agreements or escrow agreements;

- (k) The creation of security for the Bonds and provision for the administration of the Bonds including, without limitation, the appointment of such trustees, escrow agents, fiscal agents, administrators of the Districts, paying agents, registrars, rebate monitors or other agents as the Mayor shall deem necessary or desirable to effectuate the transactions authorized hereby;
- (l) Provisions for the preparation and distribution of both a preliminary and a final official statement, placement memorandum, offering circular or other disclosure document in connection with the sale of the Bonds, if such preliminary and final official statement, placement memorandum, offering circular or other disclosure document is determined to be necessary or desirable for the sale of the Bonds;
- (m) The determination of the manner of sale of the Bonds, which may be either at public or private negotiated or competitive sale, the identity of the underwriter or placement agent for the Bonds, if any, or the purchaser or purchasers of the Bonds, and the form and contents of, and provisions for the execution and delivery of, any contract or contracts for the purchase and sale of the Bonds (or any portion thereof);
- (n) To the extent that other obligated persons with respect to the Bonds have not assured compliance with, or to the extent that the offering of the Bonds is not exempt from the requirements of, Rule 15c2-12 of the United States Securities and Exchange Commission, the determination of the form and contents of any written agreement or contract required by law or to the extent the same is determined to be necessary or desirable even if not required by law, for the benefit of the holders of the Bonds under which agreement or contract the City will undertake to provide annual financial information, audited financial statements, material events notices, and other information to the extent required by such Rule or such agreement or contract;
- (o) The negotiation, preparation, execution and delivery of any development agreements or use agreements with the owners of any portion of the property located within the Districts and/or their developers, contractors or agents regarding the use and application of proceeds of the Bonds or the use or ownership of properties located within the Districts or outside the Districts if benefited by the Public Improvements and any agreements necessary or desirable to provide the transfer of ownership of the Public Improvements to the City or any other governmental agency or public entity if required by the Mayor or in order to ensure that the interest payable on any such Bonds shall remain exempt from gross income for federal income tax purposes, if applicable;
- (p) The specific Public Improvements to be financed, reimbursed or refinanced from proceeds of the Bonds or the mechanics for determining the same;
- (q) Any matters contemplated by the Acts relating to application of the proceeds of the Bonds, including, without limitation, the establishment and application of sinking funds and reserve funds and provision for any payment of capitalized interest on the Bonds; and
- (r) The determination of, or the provision for, such other matters in connection with the authorization, issuance, execution, sale, delivery, and payment of the Bonds, the security for the Bonds, and the consummation of the transactions contemplated by this Ordinance as may be deemed appropriate by the Mayor, including, without limitation, establishing procedures for the execution, acknowledgement, sealing and delivery of such other and

further agreements, documents and instruments, and the authorization of the officials of the City to take any and all actions, as are or may be necessary or appropriate to consummate the transactions contemplated by this Ordinance in accordance with the Acts and this Ordinance.

The Mayor's execution and delivery of any such executive order shall constitute conclusive evidence of the Mayor's approval of the subject matter thereof.

SECTION 4: That the Mayor, on behalf of the City, by an executive order contemplated in Section 3 hereof, is hereby authorized to condition the issuance of any series of the Bonds upon the execution, delivery and recording, as applicable, by the City, any of then-current owners of property located in the Districts, the developers of property within the Districts or other appropriate parties of any declaration of covenants, any notice to subsequent property owners within the Districts, any notification to a governmental unit having jurisdiction over any Public Improvements located outside the City, any development agreement, or any other similar documents, instruments or certificates reasonably related to the transactions contemplated by this Ordinance. The Mayor, on behalf of the City, is hereby authorized and empowered to prepare or cause to be prepared, negotiate or cause to be negotiated and execute and deliver any such documents, instruments or certificates to which the City is a party, and the same shall contain such terms, agreements and conditions and be in such form as the Mayor may approve, and the execution and delivery of the same by the Mayor shall constitute conclusive evidence of the Mayor's approval thereof.

SECTION 5: That, at the discretion and direction of the City Treasurer, the City shall, subject to appropriation, replenish the amounts on deposit in the debt service reserve fund held under the trust indenture for the Bonds to the required debt service reserve level if the monies in the Greenbelt Station Tax Increment Fund and the Greenbelt Station Special Taxes Fund are insufficient to replenish the debt service reserve fund in full.

SECTION 6: That:

- (a) The City covenants with the registered owners of any such series of the Bonds that it will not make, or (to the extent that it exercises control or direction) permit to be made, any use of the proceeds of the applicable series of Bonds or of any monies, securities or other obligations to the credit of any account of the City which may be deemed to be proceeds of such series of the Bonds pursuant to the Internal Revenue Code of 1986, as amended (the "Code"), or the income tax regulations thereunder (the "Regulations") (collectively, the "Bond Proceeds") that would cause the Bonds of such series to be "arbitrage bonds" within the meaning of the Code and the Regulations, and that it will comply with those provisions of the Code and the Regulations as may be applicable to the Bonds of such series on their date of issuance and which may subsequently lawfully be made applicable to the Bonds of such series as long as any applicable Bond remains outstanding and unpaid.
- (b) The City specifically covenants that it will comply with the provisions of the Code and the Regulations applicable to any such series of the Bonds, including, without limitation, compliance with provisions regarding the timing of the expenditure of the proceeds of the Bonds, the use of such proceeds and the facilities financed or refinanced with such proceeds, the restriction of investment yields, the filing of information with the Internal Revenue Service, and the rebate of certain earnings resulting from the investment of the proceeds of the Bonds or payments in lieu thereof. The City further covenants that it

shall make such use of the proceeds of the Bonds of such series, regulate the investment of the proceeds thereof and take such other and further actions as may be required to maintain the exclusion from gross income for federal income tax purposes of interest on the Bonds of such series. All officials, officers, employees and agents of the City are hereby authorized and directed to provide such certifications of facts and estimates regarding the amount and use of the proceeds of the Bonds of such series as may be necessary or appropriate.

The provisions of this Section 6 shall apply only to any series of Bonds that is issued with the expectation that interest on the Bonds of such series shall be excludable from gross income for purposes of federal income taxation.

SECTION 7: That the City reasonably expects to pay costs permitted by both of the Acts with respect to the Public Improvements described in the Recitals to this Ordinance prior to the issuance of the Bonds and to use proceeds of the Bonds to reimburse all or a portion of such prior expenditures. The City intends that this Ordinance shall constitute a declaration of official intent within the meaning of, and for the purposes set forth in, the Reimbursement Regulations.

SECTION 8: That the Mayor, the City Manager, the City Treasurer, and the City Clerk, acting individually or in concert as appropriate (in any such case the "Authorized Representative"), and provided that such actions are within the bounds of their authority, are authorized and directed to take any and all actions and to execute, attest, affix the City's seal to and deliver, and to file and record in any appropriate public offices (if applicable) all documents, instruments, certifications, forms (including but not limited to, appropriate IRS forms in respect to the Bonds), financing statements, letters of instructions, written requests, contracts, agreements and other papers customarily delivered in connection with the issuance of obligations in the nature of the Bonds, whether or not herein mentioned and not otherwise provided for herein or in the Designation Resolution, as may be necessary or convenient to evidence the approvals of the City provided in this Ordinance, to invest the proceeds of the Bonds or moneys on deposit in the Greenbelt Station Tax Increment Fund or the Greenbelt Station Special Taxes Fund (in all such, cases, in accordance with the provisions of applicable Maryland and federal law), to facilitate the issuance of any series of the Bonds and to consummate the transactions contemplated in this Ordinance or in any of the documents herein authorized and approved.

SECTION 9: That the provisions of this Ordinance are severable, and if any provision, sentence, clause, section or part hereof is held or determined to be illegal, invalid, unconstitutional or inapplicable to any person or circumstance, such illegality, invalidity, unconstitutionality or inapplicability shall not affect or impair any of the remaining provisions, sentences, clauses, sections or parts of this Ordinance or their application to other persons or circumstances. It is hereby declared to be the intent of the City that this Ordinance would have been adopted if such illegal, invalid, unconstitutional or inapplicable provision, sentence, clause, section or part had not been included herein, and if the person or circumstances to which this Ordinance or any part hereof are inapplicable had been specifically exempted herefrom.

SECTION 10: It is the intention of the City that the provisions of this Ordinance shall be liberally construed in order to effectuate the transactions contemplated hereby and by the Acts.

SECTION 11: That this Ordinance shall take effect on the date of its enactment. In the event that no Bonds are issued pursuant to the Acts within five years of the effective date of this Ordinance, this

Ordinance shall expire and shall be of no further force and effect. The Council may extend the effectiveness of this Ordinance prior to its expiration by enacting another ordinance.

BE IT FURTHER ORDAINED that this Ordinance is of an emergency nature and shall be effective immediately upon passage.

PASSED by the Council of the City of Greenbelt, Maryland, at its meeting on October 22, 2018.



Emmett V. Jordan, Mayor

[SEAL]

Attest:



Bonita Anderson, City Clerk

EXHIBIT A

DESCRIPTION OF PUBLIC IMPROVEMENTS

The public improvements to be financed or reimbursed from the proceeds of the Bonds include, without limitation:

- (1) Earthwork and other site prep;
- (2) Construction of and improvements to the North-South Connector Road (also known as Greenbelt Station Parkway) and acquisition of land therefor, and related appurtenances related thereto and the acquisition of land or easements therefor;
- (3) Related construction and installation of storm water and sediment management and water/sewer improvements, and acquisition of land or easements therefor, with respect to the Greenbelt Station Parkway; and
- (4) Related grading, engineering and stake out, lighting, landscaping, identifying monuments, signage, traffic signals and traffic studies therefor, fencing, curb and gutter, sidewalks, and relocating of utilities, with respect to the Greenbelt Station Parkway.

The public improvements shall include the attributable costs of engineering, design, planning and coordination, either with the expenses related to the creation of the District and the issuance of Bonds, including any underwriter's discount, appraisals, reserve fund, capitalized interest, bond counsel and other legal fees, financial or other consultant's fees and expenses, bond and official statement printing, and all other expenses incidental thereto.