



Legislation Text

File #: CA-1-15, Version: 1

Issuance of Revenue Bonds - For the purpose of authorizing and providing for the issuance of revenue bonds by the City of Annapolis.

**CITY COUNCIL OF THE
City of Annapolis**

Charter Amendment 1-15

**Introduced by: Mayor Pantelides
Co-sponsored by Alderman Budge**

**Referred to:
Finance Committee
Rules and City Government Committee
Financial Advisory Commission**

Issuance of Revenue Bonds

FOR the purpose of authorizing and providing for the issuance of revenue bonds by the City of Annapolis.

BY adding the following section to the Charter of the City of Annapolis, 2014 Edition:
Article VII, Section 12.

SECTION I: BE IT RESOLVED BY THE ANNAPOLIS CITY COUNCIL that the Charter of the City of Annapolis shall be amended to include a new section in Article VII to read as follows:

“SECTION 12. REVENUE BONDS.

(A) IN ADDITION TO ANY OTHER AUTHORITY CONFERRED BY APPLICABLE LAW, THE CITY SHALL HAVE THE POWER TO BORROW MONEY TO FINANCE OR REFINANCE UNDERTAKINGS FOR THE ACCOMPLISHMENT OF ANY OF THE PURPOSES, OBJECTS AND POWERS OF THE CITY AND, IN CONNECTION THEREWITH, TO ISSUE REVENUE BONDS (WHICH TERM SHALL INCLUDE, WITHOUT LIMITATION, NOTES OR OTHER EVIDENCES OF INDEBTEDNESS AND REFUNDING BONDS), WHICH SHALL BE FULLY NEGOTIABLE AND SHALL BE PAYABLE AS TO BOTH PRINCIPAL AND INTEREST

SOLELY FROM, AND SECURED SOLELY BY, A PLEDGE OF: (1) THE REVENUES FROM OR ARISING IN CONNECTION WITH THE CAPITAL PROJECT OR PROJECTS, PROPERTIES, FACILITIES OR OTHER DEVELOPMENTS AND IMPROVEMENTS WHOSE FINANCING OR REFINANCING IS UNDERTAKEN BY ISSUANCE OF SUCH REVENUE BONDS; (2) THE REVENUES FROM OR ARISING IN CONNECTION WITH ANY CONTRACTS, AGREEMENTS, MORTGAGES, INSTRUMENTS, DOCUMENTS OR SECURITIES PURCHASED OR OTHERWISE ACQUIRED WITH SUCH REVENUE BONDS OR THE PROCEEDS THEREOF; (3) THE CONTRACTS, AGREEMENTS, MORTGAGES, INSTRUMENTS, DOCUMENTS OR SECURITIES PURCHASED OR OTHERWISE ACQUIRED WITH SUCH REVENUE BONDS OR THE PROCEEDS THEREOF; (4) ANY OTHER SECURITY APPROVED BY THE CITY; OR (5) ANY COMBINATION OF (1), (2), (3) OR (4).

(B) ANY AND ALL OF SUCH REVENUE BONDS SHALL NOT BE GENERAL OBLIGATIONS OF THE CITY AND SHALL NEVER CONSTITUTE AN INDEBTEDNESS OR A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWERS OF THE CITY WITHIN THE MEANING OF ANY CONSTITUTIONAL, STATUTORY OR CHARTER PROVISION LIMITING OR RESTRICTING THE ISSUANCE OR SALE OF BONDS, NOTES OR OTHER EVIDENCES OF INDEBTEDNESS OF THE CITY, AND SHALL NEVER CONSTITUTE OR GIVE RISE TO ANY PECUNIARY LIABILITY OF THE CITY.

(C) ANY AND ALL REVENUE BONDS AUTHORIZED TO BE ISSUED UNDER THE PROVISIONS OF THIS SECTION 12 SHALL BE AUTHORIZED BY ORDINANCE. ANY SUCH ORDINANCE SHALL (1) SPECIFY THE CAPITAL PROJECT OR PROJECTS, PROPERTY, FACILITIES, DEVELOPMENTS AND IMPROVEMENTS, IF ANY, TO BE FINANCED; (2) SPECIFY THE BONDS, REVENUE BONDS OR OTHER OBLIGATIONS OF THE CITY, IF ANY, WHICH MAY BE REFINANCED WITH PROCEEDS OF THE REVENUE BONDS; (3) GENERALLY DESCRIBE THE PUBLIC PURPOSE TO BE SERVED AND THE FINANCING TRANSACTION; (4) SPECIFY THE MAXIMUM PRINCIPAL AMOUNT OF THE REVENUE BONDS THAT MAY BE ISSUED AND THE MAXIMUM TERM OF THE BONDS, WHICH TERM SHALL NOT EXCEED 40 YEARS; AND (5) IMPOSE TERMS OR CONDITIONS ON THE ISSUANCE AND SALE OF SUCH REVENUE BONDS THE CITY CONSIDERS APPROPRIATE.

(D) ANY SUCH ORDINANCE MAY PRESCRIBE, OR MAY AUTHORIZE THE COUNCIL BY RESOLUTION OR THE MAYOR BY EXECUTIVE ORDER TO PRESCRIBE, AMONG OTHER THINGS, ALL OTHER MATTERS PERTAINING TO SUCH REVENUE BONDS, INCLUDING, WITHOUT LIMITATION, THE FORM AND TENOR THEREOF; THE PRINCIPAL AMOUNT, INTEREST RATE OR RATES, MATURITY OR MATURITIES AND ALL OTHER TERMS, PROVISIONS AND CONDITIONS THEREOF; THE MANNER OR METHOD OF ISSUANCE AND SALE THEREOF (WHICH MAY BE AT PUBLIC SALE FOLLOWING THE SOLICITATION OF COMPETITIVE BIDS, OR BY PRIVATE NEGOTIATED SALE WITHOUT ADVERTISEMENT OR PUBLICATION OF THE NOTICE OF SALE OR SOLICITATION OF COMPETITIVE BIDS, AS THE COUNCIL OR THE MAYOR, AS APPLICABLE, MAY DEEM APPROPRIATE, AND WHICH NEED NOT BE IN THE MANNER SET FORTH IN TITLE 19, SUBTITLE 3 OF THE LOCAL GOVERNMENT ARTICLE OF THE ANNOTATED CODE OF MARYLAND, AS REPLACED, SUPPLEMENTED OR AMENDED FROM TIME TO TIME); THE TIME OR TIMES OF ISSUANCE THEREOF; THE BONDS, REVENUE BONDS OR OTHER OBLIGATIONS, IF ANY, TO BE REFINANCED; ANY AND ALL OTHER DETAILS INCIDENT TO ANY SUCH REVENUE BONDS AND THE ISSUANCE, SALE AND DELIVERY THEREOF AND

TO ANY AND ALL TRANSACTIONS RELATING THERETO. A RESOLUTION ADOPTED PURSUANT TO THIS SECTION 12 MAY BE INTRODUCED AND ADOPTED AT A SINGLE SESSION OF THE COUNCIL, MAY NOT BE PETITIONED TO REFERENDUM AND SHALL BECOME EFFECTIVE IMMEDIATELY UPON ITS ADOPTION.

(E) ANY REVENUE BONDS AUTHORIZED TO BE ISSUED UNDER THE PROVISIONS OF THIS SECTION 12 MAY BE SECURED BY A TRUST AGREEMENT, INDENTURE OR SIMILAR INSTRUMENT BETWEEN THE CITY AND A CORPORATE TRUSTEE, WHICH MAY BE ANY ENTITY WITH TRUST POWERS WITHIN OR WITHOUT THE STATE OF MARYLAND. THE AUTHORIZING ORDINANCE, THE RESOLUTION OF THE COUNCIL OR THE EXECUTIVE ORDER OF THE MAYOR, AS APPLICABLE, MAY, AMONG OTHER MATTERS, APPROVE OR PROVIDE FOR THE APPROVAL OF THE FORM OF TRUST AGREEMENT, INDENTURE OR SIMILAR INSTRUMENT.

(F) THE AUTHORIZING ORDINANCE, RESOLUTION, OR EXECUTIVE ORDER OR THE TRUST AGREEMENT, INDENTURE OR SIMILAR INSTRUMENT MAY PLEDGE OR ASSIGN ALL OR ANY PART OF: (1) THE REVENUES FROM OR ARISING IN CONNECTION WITH THE CAPITAL PROJECT OR PROJECTS, PROPERTY, FACILITIES, DEVELOPMENTS AND IMPROVEMENTS WHOSE FINANCING OR REFINANCING IS UNDERTAKEN BY ISSUANCE OF SUCH REVENUE BONDS; (2) THE REVENUES FROM OR ARISING IN CONNECTION WITH ANY CONTRACTS, AGREEMENTS, MORTGAGES, INSTRUMENTS, DOCUMENTS OR SECURITIES PURCHASED OR OTHERWISE ACQUIRED WITH SUCH REVENUE BONDS OR THE PROCEEDS THEREOF; (3) THE CONTRACTS, AGREEMENTS, MORTGAGES, INSTRUMENTS, DOCUMENTS OR SECURITIES PURCHASED OR OTHERWISE ACQUIRED WITH SUCH REVENUE BONDS OR THE PROCEEDS THEREOF; (4) ANY OTHER SECURITY APPROVED BY THE CITY; OR (5) ANY COMBINATION OF (1), (2), (3) OR (4).

(G) ANY SUCH ORDINANCE, RESOLUTION, EXECUTIVE ORDER TRUST AGREEMENT, INDENTURE OR SIMILAR INSTRUMENT MAY SET FORTH THE RIGHTS AND REMEDIES OF THE HOLDERS OF THE REVENUE BONDS; MAY RESTRICT THE INDIVIDUAL RIGHT OF ACTION BY THE HOLDERS OF SUCH REVENUE BONDS; MAY CONTAIN WHATEVER PROVISIONS FOR THE PROTECTION AND ENFORCEMENT OF THE RIGHTS AND REMEDIES OF THE HOLDERS OF ANY SUCH REVENUE BONDS AS THE COUNCIL OR THE MAYOR, AS APPLICABLE, MAY DEEM REASONABLE AND PROPER; AND, IN ADDITION TO THE FOREGOING, MAY CONTAIN WHATEVER OTHER PROVISIONS THE COUNCIL OR THE MAYOR, AS APPLICABLE, MAY DEEM REASONABLE, DESIRABLE OR PROPER FOR THE SECURITY OF THE HOLDERS OF ANY SUCH REVENUE BONDS.”

SECTION II: AND BE IT FURTHER RESOLVED BY THE ANNAPOLIS CITY COUNCIL that the date of adoption of this Resolution is October 12, 2015, and the amendments of the Charter of the City of Annapolis, hereby enacted shall become effective on December 1, 2015, unless a proper petition for referendum hereon shall be filed as permitted by law within 40 days of adoption, provided a complete and exact copy of this Resolution shall be continuously posted on the bulletin board in the City Hall until November 21, 2015, and provided further that a copy of the title of this Resolution shall be published in "The Capital," a newspaper of general circulation in the City of Annapolis, or in any other newspaper of such general

circulation, once in each of the weeks on, October 26, 2015, November 2, 2015, November 9, 2015, and November 16, 2015.

SECTION III: AND BE IT FURTHER RESOLVED BY THE ANNAPOLIS CITY COUNCIL that the Mayor is hereby specifically commanded to carry out the provisions of Section II hereof, and, as evidence of such compliance, the Mayor shall cause to be maintained appropriate certificates of publication of the newspaper or newspapers in which the title of the Resolution shall have been published and if a favorable referendum is held on the Charter change, shall declare the Charter change hereby enacted to be effective on December 1, 2015, by affixing his signature hereto in the space provided on the effective date of change.

SECTION IV: AND BE IT FURTHER RESOLVED BY THE ANNAPOLIS CITY COUNCIL that as soon as the Charter Amendment hereby enacted shall become effective, either as provided herein or following a referendum, the Mayor shall send to the Maryland Department of Legislative Services a copy of this Resolution showing the number of Aldermen and Alderwomen voting for and against it and a report on the votes cast for or against the amendment hereby enacted at any referendum thereon and the date of such referendum.

The above Charter Amendment was enacted by the foregoing Resolution which was passed at a Meeting of the Annapolis City Council on October 12, 2015; 8 voting in the affirmative, 0 voting in the negative, 0 abstaining and 1 absent and the said Resolution becomes effective in accordance with law on the 1st day of December, 2015.

EXPLANATION

CAPITAL LETTERS indicate matter added to existing law.

~~Strikethrough~~ indicates matter stricken from existing law.

Underlining indicates amendments.