COUNCIL OF THE TOWN OF RIVERDALE PARK

CHARTER AMENDMENT RESOLUTION NO. 2012-CR-03

Introduced By: CM Thompson

Date Introduced: December 3, 2012

Date Adopted: January 15, 2013

Date Effective: March 6, 2013

A RESOLUTION concerning

CHARTER AMENDMENT – DEBT LIMITATION

FOR the purpose amending the Charter of the Town of Riverdale Park to provide that the debt limitation of not to exceed two percent (2.0%) of the assessed valuation of all real and personal property in the Town provided for in § 619 applies only to the principal amount of general obligation bonds, notes or other evidences of indebtedness outstanding at the time any new general obligation bonds, notes or other evidences of indebtedness are issued and not to (1) tax anticipation notes or other evidences of tax anticipation indebtedness incurred in connection with Charter § 617, (2) bonds, notes or other evidences of indebtedness issued or guaranteed by the Town payable primarily or exclusively from taxes levied in or on, or other revenues relating to, special taxing districts or areas or tax increment development districts established by law, including tax increment financing bonds, notes or other evidences of indebtedness issued by another issuer to the payment of which incremental tax revenues of the Town are pledged pursuant to the authority of § 12-201 et seq. of the Economic Development Article of the Annotated Code of Maryland, as replaced, supplemented or amended, which such bonds, notes or other evidences of indebtedness are not backed by the full faith and credit and unlimited taxing power of the Town, (3) revenue bonds, notes or other evidences of indebtedness not backed by the full faith and credit and unlimited taxing power of the Town, and (4) refunded general obligation bonds, notes or evidences of indebtedness excluded from the application of such debt limitation pursuant to § 24 of Article 31 of the Annotated Code of Maryland, as replaced, supplemented or amended; providing that in calculating such debt limitation, the Town shall use the most recent July 1 assessed valuation figures provided by the State Department of Assessments and Taxation or any department or agency that is subsequently charged with assessing property values for the Town pursuant to Maryland law; and providing for compliance with certain provisions of the Annotated Code of Maryland pertaining to Charter amendments; and generally clarifying that the debt limitation is applicable only to general obligation indebtedness, expressly excluding certain types of indebtedness

from the application of such debt limitation, and clarifying the assessed valuation of property to be used in calculating such debt limitation.

BY repealing and reenacting, with amendments
Charter of the Town of Riverdale Park
ARTICLE VI, Finance
Section 619

SECTION 1: BE IT RESOLVED BY THE COUNCIL OF THE TOWN OF RIVERDALE PARK that Section 619 of the Charter of the Town of Riverdale Park is repealed and re-enacted, with amendments, to read as follows:

§ 619: Limit ((of)) ON GENERAL OBLIGATION Indebtedness.

((The total amount of any bonds, notes, or other evidences of indebtedness outstanding at any time shall not, at the time of their issuance, exceed 2.0 percent of the assessed valuation of all real and personal property in the town as appears on the county assessment records.)) (A) THE POWER OF THE TOWN TO BORROW MONEY BY THE ISSUANCE OF ITS GENERAL OBLIGATION BONDS, NOTES OR OTHER EVIDENCES OF INDEBTEDNESS SHALL BE LIMITED TO A TOTAL PRINCIPAL AMOUNT OF GENERAL OBLIGATION INDEBTEDNESS OUTSTANDING AT THE TIME ANY SUCH NEW GENERAL OBLIGATION DEBT IS INCURRED EQUAL TO AN AMOUNT NOT IN EXCESS OF 2.0 PERCENT OF THE ASSESSED VALUATION OF ALL REAL AND PERSONAL PROPERTY IN THE TOWN.

(B) THE FOLLOWING SHALL NOT BE DEEMED TO BE OR BE INCLUDED AS GENERAL OBLIGATION BONDS, NOTES OR OTHER EVIDENCES OF INDEBTEDNESS FOR PURPOSES OF COMPUTING OR APPLYING THE DEBT LIMITATION SET FORTH IN SUBSECTION (A) OF THIS § 619:

(1) TAX ANTICIPATION NOTES OR OTHER EVIDENCES OF TAX ANTICIPATION INDEBTEDNESS ISSUED IN ACCORDANCE WITH § 617 OF THIS CHARTER;

(2) BONDS, NOTES OR OTHER EVIDENCES OF INDEBTEDNESS WHICH ARE:

(I) ISSUED OR GUARANTEED BY THE TOWN PAYABLE PRIMARILY OR EXCLUSIVELY FROM TAXES LEVIED IN OR ON, OR OTHER REVENUES RELATING TO, SPECIAL TAXING DISTRICTS OR AREAS OR TAX INCREMENT DEVELOPMENT DISTRICTS HERETOFORE OR HEREAFTER ESTABLISHED BY LAW, INCLUDING TAX INCREMENT FINANCING BONDS, NOTES OR OTHER EVIDENCES OF INDEBTEDNESS ISSUED BY ANOTHER ISSUER TO THE PAYMENT OF WHICH INCREMENTAL TAX REVENUES OF THE TOWN ARE PLEDGED

PURSUANT TO THE AUTHORITY OF § 12-201, *ET SEQ.*, OF THE ECONOMIC DEVELOPMENT ARTICLE OF THE ANNOTATED CODE OF MARYLAND, AS REPLACED, SUPPLEMENTED OR AMENDED, AND

(II) NOT BACKED BY THE FULL FAITH AND CREDIT AND UNLIMITED TAXING POWER OF THE TOWN;

(3) REVENUE BONDS, NOTES OR OTHER EVIDENCES OF INDEBTEDNESS WHICH ARE NOT BACKED BY THE FULL FAITH AND CREDIT AND UNLIMITED TAXING POWER OF THE TOWN; AND

(4) REFUNDED GENERAL OBLIGATION BONDS, NOTES OR EVIDENCES OF INDEBTEDNESS EXCLUDED FROM THE APPLICATION OF THIS DEBT LIMITATION PURSUANT TO § 24 OF ARTICLE 31 OF THE ANNOTATED CODE OF MARYLAND, AS REPLACED, SUPPLEMENTED OR AMENDED.

(C) THE TOWN SHALL CALCULATE THE DEBT LIMITATION SET FORTH IN SUBSECTION (A) OF THIS § 619 USING THE ASSESSED VALUE OF REAL AND PERSONAL PROPERTY, AS OF JULY 1 IMMEDIATELY PRECEDING THE ISSUANCE OF THE INDEBTEDNESS, AS DETERMINED BY THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION OR ANY DEPARTMENT OR AGENCY THAT IS SUBSEQUENTLY CHARGED WITH ASSESSING PROPERTY VALUES FOR THE TOWN PURSUANT TO MARYLAND LAW.

SECTION 2: AND BE IT FURTHER RESOLVED that the amendments to the Charter adopted by this Resolution shall become effective upon the fiftieth (50th) day after passage of this Resolution, unless a proper petition for referendum meeting the requirements of § 13 of Article 23A of the Annotated Code of Maryland shall be presented or mailed to the Council in accordance with such § 13 of Article 23A of the Annotated Code of Maryland on or before the fortieth (40th) day after passage of this Resolution. A complete and exact copy of this Resolution shall be posted at the Town Hall of Town of Riverdale Park (the "Town") or other main municipal building or public place for a period of at least forty (40) days following its adoption, and the title to this Resolution, being a fair summary of the amendments to the Charter adopted hereby, shall be published in a newspaper of general circulation in the Town not less than four (4) times, at weekly intervals, within a period of forty (40) days starting immediately after the date of adoption of this Resolution.

SECTION 3: AND BE IT FURTHER RESOLVED that the Mayor shall send or cause to be sent to the Department of Legislative Services of the State of Maryland in accordance with the provisions of §§ 17(f) and 9A of Article 23A of the Annotated Code of Maryland, the following documents or information concerning the Charter amendments: (1) the complete text of this Resolution; (2) the date of the referendum election, if any, held with respect thereto; (3) the number of votes cast for or against this Resolution by the Council or in a referendum; and (4) the effective date of the Charter amendments.

SECTION 4: AND BE IT FURTHER RESOLVED that the Mayor is hereby authorized and directed to carry out or cause to be carried out the provisions of Sections 2 and 3 hereof; and as evidence of compliance herewith, the Mayor shall cause to be maintained in the records of the Town an appropriate certificate of publication in the newspaper in which the fair summary of the Charter amendments shall have been published or other evidence of publication; provided that, the failure to so maintain the same shall not invalidate the effectiveness of the Charter amendments provided for in this Resolution.

The above amendments to the Charter of the Town of Riverdale Park were adopted by the foregoing Resolution which was passed at a Special Legislative meeting of the Town Council on January 15, 2013, 4 members of the Town Council voting in the affirmative, 0 members of the Town Council voting in the negative, 0 members of the Town Council abstaining and 2 members of the Town Council absent, and the said Resolution becomes effective on the 6 day of March, 2013 if a petition for referendum has not been filed in the time prescribed by law.

ADOPTED this 15 day of January, 2013.

ATTEST:

Sara Imhulse, Town Administrator

COUNCIL OF THE TOWN OF RIVERDALE PARK

Vernon S. Archer, Mayor

Key:

CAPITAL LETTERS indicates matter added to existing Charter.
((Double parentheses)) indicate matter deleted from existing Charter.