

ARTICLE 9. REVENUE AUTHORITY

TITLE 1. IN GENERAL

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§ 9-1-101. DEFINITIONS.

(a) The following words, terms, and phrases, when used in this article, shall have the meanings ascribed to them in this section.

(b) "Authority" means the Baltimore County Revenue Authority created by this article.

(c) "Bonds" means and includes the revenue bonds, mortgages, certificates, or other evidence of indebtedness or obligations which the authority is authorized to issue pursuant to this article.

(d) "Construction" means and includes acquisition and construction, and the term "to construct" means and includes to acquire and to construct, all in such manner as may be deemed desirable.

(e) "Cost of project; cost of facility" means and includes the cost of all land, property, rights, easements, and franchises deemed necessary for the construction and establishment of any project or

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facility, the cost of all labor, materials, machinery, and equipment, financing charges, interest prior to and during construction and for one (1) year after completion of construction, cost of engineering, architectural, and legal services, plans, specifications, surveys, estimates of cost and of revenues, other expenses necessary or incident to determining the feasibility or practicability of such construction, administrative expenses, and such other expenses as may be necessary or incident to the financing herein authorized and the construction and establishment of such project or facilities, including the purchase, remodeling, or reconstruction of any existing facilities acquired by the authority as projects, and placing the same in operation.

(f) "County" means the body politic and corporate of the state known as Baltimore County, Maryland.

(g) "Equipment; furnishings" means and includes any equipment and furnishings whatsoever as may be deemed desirable and required by the lessee of a project for the use and occupancy of such project, and the term "to equip" or "to furnish" means and includes the installation of such equipment and furnishings.

(h) "Federal agency" means and includes the United States of America, the President of the United States of America, and any department of, or corporation, agency, or instrumentality heretofore or hereafter created, designated, or established by the United States of America.

(i) "Improvement" means and includes extension, enlargement, and improvement, and the term "to improve" means and includes to extend, to enlarge, and to improve, all in such manner as may be deemed desirable.

(j) "Parking facilities" means and includes any area, lot, structure, building, garage, or other means for the storage or parking of automobiles, trucks, or other vehicles, which may be established, constructed, erected, acquired, owned or leased, maintained, and operated by the authority. Such term shall also mean parking meters which may be acquired, owned, or leased by the authority. Any such facilities may include such space for general rental purposes as the authority may in its discretion deem to be necessary or appropriate to be used for parking purposes.

(k) "Person" means and includes natural persons, firms, associations, corporations, business trusts, partnerships, and public bodies.

(l) "Project" means any structure, facility, or undertaking or any combination thereof of a similar class or character which the authority is authorized to construct, improve, equip, furnish, maintain, acquire, or operate under the provisions of this article.

(m) "State" means the State of Maryland.
(Laws of Md. (1959) ch 516) (1988 Code, § 30-1) (Bill No. 48-02, § 1, 7-1-2004)

§ 9-1-102. CREATION; APPOINTMENT, COMPOSITION AND TERMS; VACANCIES.

(a) There is hereby created a body corporate and politic to be known as the "Baltimore County Revenue Authority," which shall be deemed an instrumentality of the county and a public corporation.

(b) The authority shall consist of five members to be appointed by the County Executive, with the advice and consent of the County Council.

(c) Each member appointed to the authority shall be a resident of the county at the time of appointment.

(d) (1) The term of a member is five years and begins on July 1.

(2) The terms of members are staggered as required by the terms provided for members of the authority on October 1, 1996.

(3) A person appointed to fill a vacancy shall serve only for the unexpired term.

(4) A member of the authority shall be eligible for reappointment.

(Senate Bill 255, § 1, 10-1-1996) (1988 Code, § 30-2) (Bill No. 48-02, § 1, 7-1-2004)

§ 9-1-103. OFFICERS; QUORUM; COMPENSATION; DELEGATION OF POWERS.

(a) The County Executive shall name one member, so appointed, as chairman of the authority and shall name a successor chairman whenever a vacancy in that office occurs. The appointment of a chairman is subject to the advice and consent of the County Council.

(b) The members of the authority shall elect a secretary and a treasurer who may or may not be members of the authority.

(c) (1) Three members of the authority shall constitute a quorum.

(2) No vacancy in the authority shall impair the right of a quorum to exercise all of the rights or perform all of the duties of the authority.

(d) (1) The members of the authority shall not be entitled to compensation for their services, but they shall be reimbursed for actual expenses necessarily incurred in the performance of their duties.

(2) Reimbursement shall be made solely from funds received by the authority under the provisions of this article.

(e) The authority may delegate to one or more of its members or to its officers, agents, and employees such powers and duties as it may deem proper.

(Laws of Md. (1959) ch 516) (Senate Bill 255, § 1, 10-1-1996) (1988 Code, § 30-3) (Bill No. 48-02, § 1, 7-1-2004)

§ 9-1-104. POWERS GENERALLY.

(a) (1) The authority is created for the purpose of constructing, improving, equipping, furnishing, maintaining, acquiring, and operating the following projects to be devoted wholly or partially for public uses: Public buildings for the use of the county and a district court facility for the state; airports and landing fields; county institutions of every kind and character (heretofore or hereafter constructed); incinerators, bridges, toll bridges and tunnels; parks, swimming pools, arenas, stadia, and recreational facilities of all kinds; dams, impounding basins, and flood control projects; parking facilities of every type and description, including areas, structures, and buildings for office, retail, and other uses in conjunction with such parking facilities; highways, parkways, traffic distribution centers, and facilities necessary or incident thereto; and public transportation facilities and systems of every kind and description.

(2) Before approving the location or any plans for construction of a district court facility, the authority shall receive approval of the County Executive.

(b) The authority is hereby granted and shall have and may exercise all powers necessary or convenient for the carrying out of the aforesaid purposes, including, but without limiting the generality of the foregoing, the following rights and powers:

(1) To have perpetual existence as a corporation;

(2) To sue and be sued, implead and be impleaded, complain and defend in all courts;

(3) To adopt, use, and alter at will a corporate seal;

(4) (i) To acquire, purchase, hold and use any property, real, personal or mixed, tangible or intangible, or any interest necessary or desirable for carrying out the purposes of the authority, and (without limitation of the foregoing). To lease as lessee any property, real, personal or mixed, or any interest therein, for a term not exceeding ninety-nine (99) years at a nominal rental or such annual rental as may be determined;

(ii) To lease as lessor to the state or the county or to any political subdivision thereof or to any person any project at any time constructed by the authority, whether wholly or partially completed, and any property, real, personal or mixed, tangible or intangible, or any interest therein, at any time acquired by the authority, whether wholly or partially completed; and

(iii) To sell, transfer, and convey to the state or to the county or to any political subdivision thereof or to any person any project or any part thereof at any time constructed by the authority, whether wholly or partially completed, and any property, real, personal or mixed, tangible or intangible, or any interest therein, at any time acquired by the authority if:

1. The conveyance, sale, or transfer first is offered to the county for its acceptance or rejection;

2. The disposition has been advertised once a week for three (3) successive weeks in

one (1) or more newspapers of general circulation published in the county, stating the terms and the compensation to be received; and

3. In the case of real property, notice is posted before any conveyance, sale, or transfer in a conspicuous location on the property site for:

A. At least thirty (30) days; and

B. Throughout the period that the newspaper advertisement runs.

(5) To acquire by purchase, lease, or otherwise and to construct, improve, equip, furnish, maintain, repair, and operate projects;

(6) To appoint officers, attorneys, accountants, agents, employees, and servants; to prescribe their duties and fix their compensation;

(7) To make bylaws for the management and regulation of its affairs;

(8) To fix, charge, and collect tolls, rates, rentals, and other charges for the use of the facilities of or for the services rendered by the authority or projects thereof, at reasonable rates, to be determined by it, for the purpose of providing for the payment of the expenses of the authority, the construction, improvement, repair, equipping, furnishing, maintenance, and operation of its facilities and projects, the payment of the principal of and interest on its bonds and obligations, and to fulfill the terms and provisions of any agreements made with the purchasers or holders of any such bonds and obligations;

(9) To borrow money and issue negotiable revenue bonds, mortgages, certificates, or other evidence of indebtedness or obligations and to secure the payment of them or any part of them by pledge, mortgage, or indenture of trust of all or any part of its property, projects, revenues, rentals, receipts, and funds available from any source whatsoever, all as may be provided in the resolution authorizing the issuance of the bonds (or other evidence of indebtedness), which resolution shall be taken as a part of the contract with the holders of the bonds, and to make agreements with the purchasers or holders of its bonds or with others in connection with any of its bonds, whether issued or to be issued, as the authority shall deem advisable, and in general to provide for the security for the bonds and the rights of the holders thereof;

(10) To make contracts of every name and nature, and to execute all instruments necessary or convenient for the carrying on of its business;

(11) Without limitation of the foregoing, to borrow money and accept grants of cash or property from and to enter into contracts, leases, or other transactions with the county, the state, a political subdivision, or any federal agency;

(12) To acquire in its own name by condemnation in accordance with and subject to the provisions of the existing laws of this state applicable to the condemnation of property for public use, real property, or rights or easements therein or franchises and licenses convenient for its corporate purposes; provided,

however, that the authority shall be under no obligation to accept and pay for any property condemned under the provisions of this article except from the funds provided under the authority of this article. In any proceeding to condemn property under the terms of this article, the court having jurisdiction may enter such orders as may be just to the authority and to the owner of the property to be condemned;

(13) To pledge, hypothecate, or otherwise encumber all or any of the revenues or receipts of the authority as security for all or any of the obligations of the authority;

(14) To do all acts and things necessary or convenient to carry out the powers granted to it by this article or any other acts;

(15) To enter into agreements with the State Roads Commission or any other public body providing for the construction or reconstruction of highways and bridges by the authority if such agreements are necessary, and to enter into any and all agreements which may be necessary for the acquisition or construction of toll bridges by the authority, under such terms and conditions as may be desirable;

(16) To acquire, by assignment from the state or the county, contracts which are not completed and which involve constructing, improving, equipping, furnishing, maintaining, and operating the structures, facilities, or undertakings similar to those designated herein as projects;

(17) To convey to the county all of its rights, title, and interest in and to any project or projects if the revenue bonds or revenue refunding bonds issued pursuant to the terms of this article for the purpose of providing the funds for the cost of such project or projects shall have been paid and retired.

(c) Except as otherwise provided by law, when projects are to be constructed or improved by the authority for the use of the county or any department thereof, no plans or specifications therefor shall be presented for quotations or bids until such plans and specifications shall have been submitted to and approved by the Department of Public Works of the county.

(d) It is specifically declared that the powers of the authority shall not extend to either the Board of Education or the public school system of the county and that such Board and system are entirely exempt from this article.

(Laws of Md. (1959) ch. 516; Laws of Md. (1969) ch. 643; Laws of Md. (1970) ch. 56; Laws of Md. (1970) ch. 509; Laws of Md. (1971) ch. 136; Laws of Md. (1978) ch. 652; Laws of Md. (1982) ch. 579; Laws of Md. (1988) ch. 347; Laws of Md. (1989) ch. 588) (1988 Code, § 30-4) (Bill No. 48-02, § 1, 7-1-2004)

§ 9-1-105. POWER TO FIX AND REVISE RATES, TOLLS, RENTALS, ETC.; SINKING FUND.

(a) The authority is hereby authorized and empowered to fix and revise from time to time rates, tolls, rentals, and charges for the use of any of its projects; contract with any person, partnership, association, or corporation desiring the use of any of its projects, either in whole or in part; and fix the terms, conditions, and rates of charges for such use.

(b) The rates, tolls, rentals, or charges shall be fixed and adjusted to provide a fund, together with any other legally available funds that the authority determines to apply, sufficient to pay:

(1) The cost of maintaining, preparing, and operating the project or projects from which such rates, tolls, rentals, and charges are received, including reserves for replacement, depreciation, and any extensions of such project or projects; and

(2) The principal of the bonds issued to provide the funds for the acquisition, construction, improvement, equipping, maintaining, operating, or furnishing of such project or projects and the interest thereon as the same shall become due and payable, and reserves for such purposes.

(c) Such rates, tolls, rentals, or charges shall not be subject to supervision or regulation by any state, county, or municipal commission, board, bureau, or agency.

(d) The rates, tolls, rentals, or charges and all other revenues derived by the authority in the operation of any project or projects, except such part thereof as may be required to pay the cost of maintaining, repairing, and operating any project or projects or to provide such reserves as may be called for in the resolution authorizing the issuance of the revenue bonds or the trust indenture, shall be set aside at such regular intervals as may be provided in such resolution or such trust indenture, in a sinking fund which is hereby pledged to and charged with the payment of:

(1) The interest upon the bonds issued to provide funds for the acquisition, construction, improvement, equipping, furnishing, maintaining or operating such project or projects, as such interest shall fall due;

(2) The principal of such bonds as the same shall fall due;

(3) The necessary fiscal agency charges for paying such principal and interest; and

(4) Any premium upon such bonds retired by call or purchase as herein provided.

(e) The use and disposition of such sinking fund shall be subject to such regulations as may be provided in the resolution authorizing the issuance of such bonds or in the trust indenture, but, except as may otherwise be provided in such resolution or trust indenture, such sinking fund shall be a fund for the benefit of all such bonds without distinction or priority of one over another. Subject to the provisions of the resolution authorizing the issuance of such bonds or of the trust indenture, any moneys in such sinking fund in excess of an amount equal to two (2) years' interest on all such bonds then outstanding may be applied to the purchase or redemption of such bonds. All bonds so purchased or redeemed shall forthwith be canceled.

(Laws of Md.(1982) ch. 579) (1988 Code, § 30-5) (Bill No. 48-02, § 1, 7-1-2004)

§ 9-1-106. ISSUANCE OF BONDS, CERTIFICATES AND OTHER EVIDENCE OF INDEBTEDNESS—GENERALLY.

(a) The authority may at one (1) time or from time to time provide by resolution for the issuance of negotiable revenue bonds, mortgages, certificates, or other evidence of indebtedness for the purpose of paying all or any part of the cost or purchase price of any one (1) or more of the projects provided for in this article. The resolution authorizing the issuance of revenue bonds, certificates, or other evidence of indebtedness under the provisions of this article or the trust indenture hereinafter provided for shall state the estimated cost or purchase price of any project or projects involved; and the revenue bonds, certificates, or other evidence of indebtedness shall be issued in such amount or amounts.

(b) (1) The principal and interest of revenue bonds, mortgages, certificates, or other evidence of indebtedness shall be payable from revenues, rentals, receipts, and funds available from any source whatsoever received by the authority. No tax, excise or special assessment (other than permitted under the terms of this article) shall be levied for the payment of the principal and interest.

(2) Fees, rents, tolls, charges, and revenues received from the use of the project or projects constructed from the proceeds of the bonds issued under the provisions of this article shall be used or appropriated for the payment of interest or principal of the bonds. Prior to and during construction and for one (1) year after the completion of the construction of any project or projects for which revenue bonds have been issued, the interest on the bonds may be paid out of the proceeds realized from the sale of the bonds; and revenues, rentals, receipts, and funds from other sources available to the authority may be used and appropriated for the payment of interest on and principal of the bonds.

(c) The revenue bonds, mortgages, certificates, or other evidence of indebtedness of each issue shall be dated, shall bear interest at the rate or rates as shall be determined by the authority, and shall mature at such time or times, not exceeding thirty (30) years from their date or dates, as may be determined by the authority. The bonds of each issue may be made redeemable before maturity at the option of the authority at such price or prices and under terms and conditions as may be fixed by the authority prior to the issuance of the bonds. The authority shall determine the form of the bonds, including any interest coupons to be attached, and shall fix the denomination or denominations of the bonds and the place or places of payment of principal and interest, which may be at any bank or trust company within or without the state. The payment of principal and interest of the bonds may be made in any lawful medium. The authority shall determine the manner of executing the bonds, which may be by facsimile signature of its chairman, and the manner of executing the interest coupons attached, which also may be facsimile signature of its chairman; the official seal of the authority shall be affixed to the bonds, and they shall be attested by its secretary. In case any officer whose signature or a facsimile of whose signature shall appear on any bonds or coupons shall cease to be an officer before the delivery of the bonds, the signature or the facsimile shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until delivery.

(d) *Negotiability.* All revenue bonds, certificates, or other evidence of indebtedness issued under the provisions of this article shall have and are hereby declared to have all the qualities and incidents of negotiable instruments under the negotiable instruments law of this state.

(e) *Form of issuance; registration.* The revenue bonds hereby authorized may be issued in coupon or in registered form or both, as the authority may determine, and provision may be made for the registration of any coupon revenue bonds as to principal alone and also as to both principal and interest and for the reconversion into coupon revenue bonds of any revenue bonds registered as to both principal and interest.

(f) *Sale.* The authority may sell such revenue bonds in such manner, either at public or private sale, and for such price, as it may determine to be for the best interests of the authority. None of the provisions of Ann. Code of Md. art. 31, §§ 9 to 11, inclusive, and any amendments thereto shall apply to the revenue bonds issued under the provisions of this article.

(g) *Disposition of proceeds.* The proceeds of the revenue bonds of each issue shall be used solely for the payment of the cost of the project or projects for which such bonds have been issued and shall be distributed in such manner and under such restrictions, if any, as the authority may provide in the resolution authorizing the issuance of such bonds or in the trust agreement hereinafter mentioned securing the same. If the proceeds of the bonds of any issue, by error of estimates or otherwise, shall be less than such cost, additional bonds may in like manner be issued to provide the amount of such deficit, and, unless otherwise provided in the resolution authorizing the issuance of such bonds or in the trust agreement securing the same, shall be deemed to be of the same issue and shall be entitled to payment from the same fund without preference or priority of the bonds first issued. If the proceeds of the bonds of any issue shall exceed the cost of the project or projects for which the same shall have been issued, the surplus shall be deposited into the sinking fund hereinafter provided for the payment of principal of and interest on the revenue bonds.

(h) *Interim receipts of temporary bonds; replacement bonds.* Prior to the preparation of definitive revenue bonds, the authority may, under like restrictions, issue interim receipts or temporary bonds, with or without coupons, to be exchanged for definitive bonds when such bonds have been executed and are available for delivery. The authority may also provide, by resolution, for the replacement of any bonds which shall become mutilated, destroyed, or lost.

(i) *Issuance without referendum.* The revenue bonds, certificates, or other evidence of indebtedness authorized to be issued under this article may be issued without an election referendum or any other proceedings or the happening of any other conditions or things than those proceedings, conditions, or things which are specified and required by this article.

(j) *Refunding bonds.* The authority is hereby authorized to provide by resolution for the issuance of its revenue refunding bonds for the purpose of refunding any revenue bonds then outstanding and issued under the provisions of this article. The issuance of such revenue refunding bonds, the maturities and other details thereof, the rights of the holders thereof, and the duties of the authority in respect of the same shall be governed by the provisions of this article insofar as they may be applicable.

(k) The authority is further authorized to provide by resolution for the issuance of a single issue of its bonds for the combined purposes of:

(1) Paying the cost of any improvement, extension, enlargement, or reconstruction of any of its existing projects; and

(2) Refunding its bonds which shall theretofore have been issued for the purpose of providing funds for the cost of projects which shall then be outstanding and which shall then have matured or be subject to redemption or can be acquired for retirement.

(Laws of Md. (1959) ch. 516; Laws of Md. (1968) ch. 425; Laws of Md. (1969) ch. 747; Laws of Md. (1970) ch. 607; Laws of Md. (1978) ch. 652) (1988 Code, § 30-6) (Bill No. 48-02, § 1, 7-1-2004)

§ 9-1-107. SAME—CONTENTS OF RESOLUTION AUTHORIZING ISSUANCE.

Any resolution or resolutions authorizing the issuance of any revenue bonds under this article may contain provisions which shall be part of the contract with the holders thereof and which may relate to the following:

(1) Recital which may specify that the revenues received or to be received from the project or projects, the cost of which have or are to be financed from the proceeds of any issue of revenue bonds, certificates, or other evidence of indebtedness issued under this article may not be used to service any other revenue bonds authorized hereunder issued to finance the cost of any other project or projects;

(2) Subject to the provisions of paragraph (1) of this section, the pledging of the full faith and credit of the authority (but not of the state or the county or any political subdivision thereof) for such obligations;

(3) The construction, improvement, operation, extension, enlargement, equipping, furnishing, maintenance, and repair of any project or projects and the duties of the authority with reference thereto;

(4) The terms and provisions of the bonds;

(5) Any limitations on the purposes to which the proceeds of the bonds then or thereafter to be issued, or of any loan or grant by the United States may be applied;

(6) The rate of tolls, rentals, and other charges for the use of the projects or the facilities of the authority or for the services rendered by the authority, including limitations upon the power of the authority to modify any leases or other agreements pursuant to which any tolls, rentals, or other charges are payable;

(7) The setting aside of reserves or sinking funds and the regulation and disposition thereof;

(8) The limitations on the issuance of additional bonds;

(9) The terms and provisions of any deed of trust or indenture securing the bonds or under which the same may be used; and

(10) Any other or additional agreements with holders of the bonds.
(1988 Code, § 30-7) (Bill No. 48-02, § 1, 7-1-2004)

§ 9-1-108. SAME--CREDIT OF COUNTY, STATE, ETC., NOT PLEDGED.

The revenue bonds, certificates, or other evidence of indebtedness issued under the provisions of this article are not a debt of the county or a pledge of the faith and credit of the county, the state, or a political subdivision. The revenue bonds, certificates, or other evidence of indebtedness shall be payable solely from the funds of the authority provided from revenues of the project or projects of the authority or from any other funds legally available for such purpose. All revenue bonds shall contain a statement on their face to the effect that the county is not obligated to pay the bonds or the interest. The issuance of the revenue bonds, certificates, or other evidence of indebtedness under the provisions of this article shall not directly, indirectly, or contingently obligate or empower the county to levy or pledge any form of taxation whatever or to make any appropriation for their payment. However, the foregoing limitations may not be construed to prohibit the county from leasing any project or facility or portion thereof from the authority, including any project or facility financed in whole or in part from the proceeds of the sale of such revenue bonds, certificates, or other evidence of indebtedness or to prohibit the county from making grants of money to the authority from the general funds of the county or from any other funds of the county legally available for such purposes, including the proceeds of general obligation bonds of the county duly authorized and issued for such purpose.

(Laws of Md.(1982) ch. 579) (1988 Code, § 30-8) (Bill No. 48-02, § 1, 7-1-2004)

§ 9-1-109. SAME--RIGHTS AND REMEDIES OF BONDHOLDERS GENERALLY.

(a) The rights and the remedies herein conferred upon or granted to the bondholders shall be in addition to and not in limitation of any rights and remedies lawfully granted to such bondholders by the resolution or resolutions providing for the issuance of bonds or by any deed of trust, indenture, or other agreement under which the same may be issued. In the event that the authority shall default in the payment of principal or interest on any of the bonds after said principal or interest shall become due, whether at maturity or upon call for redemption, and such default shall continue for a period of thirty (30) days, or in the event that the authority shall fail or refuse to comply with the provisions of this article or shall default in any agreement made with the holders of the bonds, the holders of twenty-five (25) percent in the aggregate principal amount of the bonds then outstanding, by instrument or instruments filed in the office of the Clerk of the Circuit Court for the county and proved or acknowledged in the same manner as a deed to be recorded, may (except as such right may be limited under the provisions of any deed of trust, indenture, or other agreement as aforesaid) appoint a trustee to represent the bondholders for the purposes herein provided. Such trustee and any trustee under any deed of trust, indenture, or other agreement may and, upon written request of the holders of twenty-five (25) percent (or such other percentage as may be specified in any deed of trust, indenture, or other agreement aforesaid) in principal amount of the bonds then outstanding, shall in his or its own name:

(1) By mandamus or other suit, action, or proceeding at law or in equity enforce all rights of the bondholders, including the right to require the authority to collect tolls, rates, rentals, and other charges, adequate to carry out any arrangements as to or pledge of the revenues or receipts of the authority, and to require the authority to carry out any other agreements with or for the benefit of the bondholders, and to perform its and their duties under this article;

(2) Bring suit upon the bonds;

(3) By action or suit in equity, require the authority to account as if it were the trustee of an express trust for the bondholders;

(4) By action or suit in equity, enjoin any acts or things which may be unlawful or in violation of the rights of the bondholders;

(5) By notice in writing to the authority, declare all bonds due and payable, and if all defaults be made good, then with the consent of the holders of twenty-five (25) percent (or such other percentage as may be specified in any deed of trust, indenture, or other agreement aforesaid) of the principal amount of the bonds then outstanding, to annul such declaration and its consequences.

(b) Any trustee, whether appointed as aforesaid or acting under a deed of trust, indenture, or other agreement and whether or not all bonds have been declared due and payable, shall be entitled as of right to the appointment of a receiver who may (to the same extent that the authority itself could so do) enter and take possession of the facilities of the authority, or any parts thereof, the tolls, revenues, rentals, or receipts from which are or may be applicable to the payment of the bonds so in default, and operate and maintain the same and collect and receive all rentals and other revenues thereafter arising therefrom in the same manner as the authority might do, and shall deposit all such moneys in a separate account, and apply the same in such manner as the court shall direct. In any suit, action, or proceeding by the trustees, the fees, counsel fees, and expenses of the trustee and of the receiver, if any, and all costs and disbursements allowed by the court shall be a first charge on any revenues and receipts derived from the facilities of the authority, the revenues or receipts from which are or may be applicable to the payment of the bonds so in default. Such trustee shall, in addition to the foregoing, have and possess all of the powers necessary or appropriate for the exercise of any functions specifically set forth herein or incident to the general representation of the bondholders in the enforcement and protection of their rights.

(c) In addition to all other rights and all other remedies, any holder of bonds of the authority shall have the right by mandamus or other suit, action, or proceeding at law or in equity to enforce his rights against the authority, including the right to require the authority of collecting tolls, fees, rentals, and other charges adequate to carry out any agreement as to or pledge of such tolls, fees, rentals, or other charges, or income, revenues, and receipts and to require the authority to carry out any of its covenants and agreements with the bondholders and to perform its and their duties under this article; provided, however, that nothing in this section or any other section of this article shall authorize any receiver appointed pursuant to this article, for the purpose of operating and maintaining any project or projects of the authority, to sell, assign, mortgage, or otherwise dispose of any of the assets of whatever kind and character belonging to the authority. It is the intention of this article to limit the powers of such receiver to the operation and maintenance of the facilities of the authority as the court shall direct, and no holder of bonds of the authority nor any trustee shall ever have the right in any suit, action, or proceedings at law or in equity to compel a receiver nor shall any receiver ever be authorized or any court be empowered to direct the receiver to sell, assign, mortgage, or otherwise dispose of any assets of whatever kind or character belonging to the authority.

(1988 Code, § 30-9) (Bill No. 48-02, § 1, 7-1-2004)

§ 9-1-110. SAME--BONDHOLDERS' LIEN.

All moneys received from any revenue bonds issued and sold under the provisions of this article shall be applied solely for the purpose for which the bonds shall be authorized or to the sinking fund created for the payment of such bonds and are hereby declared to be trust funds for such purposes or such sinking fund, as the case may be, and there shall be and there is hereby created and granted a lien upon such moneys until so applied in favor of the holders of such bonds or the trustee hereinafter provided for in respect of such bonds.

(1988 Code, § 30-10) (Bill No. 48-02, § 1, 7-1-2004)

§ 9-1-111. SAME--PLEDGE OF STATE NOT TO ALTER RIGHTS, ETC., OF BONDHOLDERS.

The state does hereby pledge to and agree with any person or federal agency subscribing to or acquiring the revenue bonds to be issued by the authority for the construction, extension, improvement, equipping, furnishing, or enlargement of any project or part thereof that the state will not limit or alter the rights hereby vested in the authority until all such bonds at any time issued to provide funds for such project or part thereof, together with the interest thereon, are fully met and discharged, it being the intent of this article, that the authority shall continue to have and may exercise all powers herein granted, so long as the same shall be necessary or desirable for the carrying out of the purposes of this article.

(1988 Code, § 30-11) (Bill No. 48-02, § 1, 7-1-2004)

§ 9-1-112. SAME--ELIGIBILITY FOR INVESTMENT.

Revenue bonds issued under the provisions of this article are hereby made securities in which all public officers and public agencies of the state and its political subdivisions and all banks, trust companies, savings and loan associations, investment companies, and others carrying on a banking business, all insurance companies and insurance associations and others carrying on an insurance business, all administrators, executors, guardians, trustees, and other fiduciaries, and all other persons may legally and properly invest funds, including capital in their control or belonging to them. Such bonds are hereby made securities which may properly and legally be deposited with and received by any state or municipal officer or any agency or political subdivision of the state for any purpose for which the deposit of bonds or other obligations of the state is now or may hereafter be authorized by law.

(1988 Code, § 30-12) (Bill No. 48-02, § 1, 7-1-2004)

§ 9-1-113. TRUST INDENTURES.

The authority may secure any revenue bonds, mortgages, certificates, or other evidence of indebtedness issued to provide funds for the purchase, acquisition, construction, or improvement of any project or projects by a trust indenture by and between the authority and a corporate trustee, which may be any trust company or bank having the powers of a trust company within or outside the state. At any one (1) time, the authority may, in its discretion, be a party to one (1) or more trust indentures, if revenue bonds have been issued to finance more than a single project as defined in this article. The trust indenture or indentures may

pledge or assign all revenues to be received from any project or projects. Either the resolution providing for the issuance of revenue bonds or the trust indenture or indentures may contain any provisions for protecting and enforcing the rights and remedies of the bondholders as may be reasonable and proper, not in violation of law, including covenants setting forth the duties of authority in relation to the construction, acquisition, improvement, installation, maintenance, operation, repair, and insurance of any project or projects and the custody, safeguarding, and application of all moneys, and may provide that any project or projects shall be constructed and paid for under the supervision and approval of consulting engineers employed or designated by the authority and satisfactory to the trustee, and if none, the original purchasers of the bonds. The trust indentures may further provide that the security given by contractors and by any depository of the proceeds of the bonds or revenues of any project or other moneys pertaining thereto be satisfactory to the trustee appointed as provided herein, and if none, the original purchasers of the bonds. Any bank or trust company incorporated under the laws of this state may act as depository of the proceeds of the bonds or revenues. The resolution of the trust indentures may set forth the rights and remedies of the bondholders and of the trustee, and may restrict the individual right of action of the bondholders as is customary in trust indentures securing bonds and debentures of corporations. All expenses incurred in carrying out a trust indenture may be treated as a part of the cost of maintenance, operation, and repair of any project or projects.

(1988 Code, § 30-13) (Bill No. 48-02, § 1, 7-1-2004)

§ 9-1-114. POWERS OF COUNTY.

The county is hereby authorized and empowered, through its proper officials:

(1) To convey to the authority its title to any lands, streets, alleys, buildings, facilities, or other public places;

(2) To assign to the authority any rates, rentals, fees, or charges now being or to be received by it, the assignment to be made for the purpose of providing additional security for any bonds to be issued under this article or for other purposes agreed to between the authority and the county;

(3) To advance to the authority from the general funds of the county sums to be used by the authority solely to defray expenses for investigations, engineering and architectural studies, opinions, and compensation of employees and counsel which may be incurred prior to sale of its revenue bonds; the advances shall be repaid out of the first proceeds of the sale of revenue bonds by the authority following any such advance;

(4) To make grants of money to the authority from the general funds of the county or from any other funds legally available therefor or to make grants of other county property to be used by the authority in connection with the purchase, equipping, furnishing, maintaining, acquisition, or operation of an authority project or projects, including (without limitation) grants of money to the authority to be deposited by the authority in a reserve fund and pledged to the security of revenue bonds issued or to be issued by the authority in connection with the project or projects; and

(5) To purchase revenue bonds issued by the authority, which revenue bonds may be subordinate to other revenue bonds issued or to be issued by the authority for the same project or projects. (Laws of Md.(1982) ch. 579) (1988 Code, § 30-14) (Bill No. 48-02, § 1, 7-1-2004)

§ 9-1-115. DISPOSITION AND AUDIT OF FUNDS.

Unless otherwise provided in the resolution authorizing any issue of bonds under this article or unless otherwise provided by the indenture of trust which secures such bonds, all moneys received by the authority from whatever source derived shall be paid to the treasurer of the authority. Such moneys shall be deposited in the first instance by the treasurer in one (1) or more banks or trust companies in one (1) or more special accounts, and each of such special accounts to the extent the same is not insured shall be continuously secured by a pledge of the direct obligations of the United States of America, of the state, or of the county, having an aggregate market value, exclusive of accrued interest, at all times at least equal to the balance on deposit in such account. Such securities shall either be deposited with the treasurer or be held by a trustee or agent satisfactory to the authority. All banks and trust companies are authorized to give such security for such deposits. The moneys in said accounts shall be paid out on the warrant or other order of the chairman of the authority or of such other person or persons as the authority may authorize to execute such warrants or orders. The authority shall have an annual examination of its books, accounts, and records by a certified public accountant. A copy of such audit shall be delivered to the county and to such other persons named to receive such audit in the resolution which authorized the issuance of the bonds or in the trust indenture which secures them. A concise financial statement of the authority shall be published annually, in a newspaper of general circulation in the county. If such application is not made by the authority, the county shall publish such statement at the expense of the authority. If the authority fails to make such audit, then the Director of Budget and Finance may be designated and empowered by the county from time to time to examine, at the expense of the authority, the accounts and books of the authority, including its receipts, disbursements, contracts, leases, sinking funds, investments and any other matters relating to its finances, operation, and affairs. The County Attorney shall have the right to examine the books, accounts, and records of the authority.

(1988 Code, § 30-15) (Bill No. 49-96, § 17, 7-1-1996; Bill No. 48-02, § 1, 7-1-2004)

§ 9-1-116. CONSTRUCTION, ETC., CONTRACTS.

(a) If any project or any portion thereof or any improvement thereof shall be constructed, equipped, or furnished pursuant to a contract and the estimated cost thereof exceeds seventy-five hundred dollars (\$7,500.00) or whatever amount is set by the authority members, but not to exceed the amount set by legislative act of the County Council with respect to the county's purchases made pursuant to Section 904 of the Charter, such contract shall be awarded to the lowest responsible bidder after advertisement for bids, except as provided in subsections (b) and (c) of this section. The authority may make rules and regulations for the submission of bids and the construction, equipping, furnishing, and improvement of any project or portion thereof. No contract shall be entered into for construction, equipping, furnishing, or improvement of any project or portion thereof or for the purchase of materials unless the contractor shall give an undertaking with a sufficient surety or sureties approved by the authority and in an amount fixed by the authority for the faithful performance of the contract; and such contract shall be accompanied by an

additional bond for the protection of those to furnish labor and material. All construction contracts shall provide, among other things, that the person or corporation entering into such contract with the authority will pay for all materials furnished and services rendered for the performance of the contract, and that any person or corporation furnishing such materials or rendering such services may maintain an action to recover for the same against the obligor in the undertaking as though such person or corporation was named therein, provided the action is brought within three (3) years after the cause of action accrued. Nothing in this section shall be construed to limit the power of the authority to construct any project or portion thereof or any addition, betterment, or extension thereto, directed by the officers, agents, and employees of the authority, or by agreement with the federal and state governments or any agency or department of either. Subject to the aforesaid, the authority may (but without intending by this provision to limit any powers of such authority) enter into and carry out such contracts or establish or comply with such rules and regulations concerning labor and materials and other related matters in connection with any project or portion thereof as the authority may deem desirable or as may be requested by any federal agency that may assist in the financing of such project or any part thereof.

(b) Notwithstanding the provisions of subsection (a) of this section, the authority may establish reasonable rules and regulations governing emergency purchases and contracts and those involving a single or limited source services or materials and services or materials and equipment of an unusual or noncompetitive nature that can be purchased only from a single source and which shall not be subject to competitive bidding; provided, however, that no single emergency purchase or contract shall exceed twenty thousand dollars (\$20,000.00).

(c) If the authority finds that the procedures set forth in subsections (a) and (b) of this section are not appropriate or feasible and are impracticable in the construction, equipping, or furnishing of a project, the authority may adopt, by resolution, other procedures as it may deem appropriate in the awarding of contracts relating to a specific project, including (without limitation) competitive negotiation and noncompetitive negotiation; however, the title or summary of such resolution shall be published in a newspaper of general circulation in the county within ten (10) days after such resolution was adopted by the authority. Without in any way limiting the generality of the foregoing, by resolution adopted under this subsection, the authority may adopt alternative procedures, if the authority determines that:

(1) A project is integrated with surrounding development efforts, whether undertaken by the county, the authority, or another person; and

(2) A need exists for coordination between the authority in constructing, equipping, or furnishing the project and the other person undertaking the development efforts.

(Laws of Md. (1968) ch. 426; Laws of Md. (1971) ch. 137; Laws of Md. (1982) ch. 579; Laws of Md. (1984) ch. 16) (1988 Code, § 30-16) (Bill No. 48-02, § 1, 7-1-2004)

§ 9-1-117. TAX EXEMPTIONS.

It is hereby found, determined, and declared that the establishment of the project or projects under the provisions of this article is in all respects for the benefit of the inhabitants of the county and of the state and is a public purpose and that the county and the authority will be performing an essential governmental

function in the exercise of the powers conferred by this article, and the authority shall not be required to pay any taxes or assessments upon any facility or any part thereof or upon its activities in the operation and maintenance of any facility or upon any revenues therefrom, and the project or projects and the bonds of the authority, the interest thereon, and any gain realized from the sale or exchange thereof shall be and remain forever exempt from all state, municipal, and local taxation.

(1988 Code, § 30-17) (Bill No. 48-02, § 1, 7-1-2004)

§ 9-1-118. PROVISIONS OF ARTICLE PROVIDES ALTERNATIVE METHODS.

The provisions of this article shall be deemed to provide an additional and alternative method for the doing of the things authorized hereby and shall be regarded as supplemental and additional to powers and conferred by other laws and shall not be regarded as in derogation of any powers now existing, and such provisions shall be liberally construed to effect the purposes thereof.

(1988 Code, § 30-18) (Bill No. 48-02, § 1, 7-1-2004)