



**The Mayor and Commissioners
of the Town of Elkton**

Resolution R6 - 2022

A RESOLUTION concerning Town of Elkton Development District. For the purpose of designating a contiguous area consisting of the entire corporate boundaries of the Town of Elkton, Cecil County, Maryland (the “**Town**”) as a “development district” as that term is used in Sections 12-201 through 12-213, inclusive, of the Economic Development Article of the Annotated Code of Maryland, as amended (the “**Tax Increment Financing Act**”), such development district to consist of the entire corporate boundaries of the Town (the “**Development District**”); providing for, and determining, various matters in connection with the establishment of a development district, creating a tax increment fund with respect to the Development District, and allocating certain property taxes with respect to the Development District to be paid over to the tax increment fund as provided in the Tax Increment Financing Act; making certain findings and determinations with respect to the tax increment fund and the uses of such fund; providing that special obligation bonds may be issued from time to time pursuant to an ordinance or ordinances enacted in accordance with the Tax Increment Financing Act and secured by the tax increment fund; and generally relating to the Town of Elkton Development District.

WHEREAS, the Tax Increment Financing Act constitutes those provisions of Maryland law authorizing the Town to establish a “development district” (as that term is used in the Tax Increment Financing Act) and a tax increment fund into which the taxes representing the levy on the Tax Increment (hereinafter defined) for the Development District are deposited; and

WHEREAS, the development of the real property in the proposed Town of Elkton Development District plan will include [commercial development such as manufacturing, office, flex and retail; recreational and park facilities; parking facilities; and residential units]; and

WHEREAS, such development will further economic development within the Town and thus meet the public purposes contemplated by the Tax Increment Financing Act; and

WHEREAS, the Tax Increment Financing Act authorizes the Town to issue special obligation bonds from time to time for the purpose of providing funds to be used to fulfill one or more of the purposes of the Tax Increment Financing Act; and

WHEREAS, the Town expects to issue special obligation bonds in one or more series to finance public infrastructure improvements as permitted under the Tax Increment Financing Act, including, but not limited to, the financing of the costs of [parking facilities, roads, streets, sidewalks, lighting, recreational facilities and parks, water and sewer utilities and related infrastructure improvements, which public

infrastructure improvements will be utilized in connection with commercial and residential development, and may include a cultural arts facilities, recreational facilities, a town center, retail, residential, office, manufacturing and other commercial development]; and

WHEREAS, if the Town issues its special obligation bonds upon enactment of an ordinance or ordinances such ordinance or ordinances will provide that the special obligation bonds shall be secured by a pledge of the taxes representing the levy on the Tax Increment (the “**Town Taxes**”) and any other revenues pledged by the Town as more specifically provided for therein.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Commissioners of the Town of Elkton, that:

1. For the purposes of this Resolution, the terms defined in the recitals shall have the meanings therein set forth and, in addition, the following terms shall have the meanings set forth below:

(i) “**Adjusted Assessable Base**” means the fair market value of real property that qualifies for a farm or agricultural use under Section 8-209 of the Tax-Property Article, without regard to the agricultural use assessment of the property as of January 1 of the year preceding the effective date of this Resolution creating the Development District under Section 12-203 of the Tax Increment Financing Act.

(ii) “**Assessable Base**” means the total assessable base, as determined by the Supervisor of Assessments, of all real property subject to taxation in the Development District.

(iii) “**Assessment Ratio**” means a real property tax assessment ratio, however designated or calculated, that is used or applied under applicable general law to determine the Assessable Base including the assessment percentage as provided under § 8-103(c) of the Tax- Property Article.

(iv) “**Bonds**” means includes any revenue bonds or bond, notes or note, or other similar instruments or instrument issued by the Town pursuant to and in accordance with this Resolution and the Tax Increment Financing Act.

(v) “**Development District**” means the contiguous area in the Town designated in Section 3 of this Resolution as a development district under the Tax Increment Financing Act.

(vi) “**Original Assessable Base**” means the Assessable Base as of January 1 of the year preceding the effective date of this Resolution creating the Development District under Section 12-203 of the Tax Increment Financing Act, which is January 1, 2021.

(vii) **“Original Full Cash Value”** means the dollar amount that is determined by dividing the Original Assessable Base by the Assessment Ratio used to determine the Original Assessable Base.

(viii) **“Original Taxable Value”** means, for any Tax Year, the dollar amount that is:

(a) The Adjusted Assessable Base, if an Adjusted Assessable Base applies; or

(b) In all other cases, the lesser of:

(i) The product of multiplying the Original Full Cash Value by the Assessment Ratio applicable to that Tax Year; and

(ii) The Original Assessable Base.

(ix) **“Tax Increment”** means for any Tax Year, the amount by which the Assessable Base as of January 1 preceding that Tax Year exceeds the Original Taxable Value divided by the Assessment Ratio used to determine the Original Taxable Value.

(x) **“Tax Increment Fund”** means the tax increment fund established in Section 5 of this Resolution.

(xi) **“Tax Year”** means the period from July 1 of a calendar year through June 30th of the next calendar year.

2. Acting pursuant to the Tax Increment Financing Act, it is hereby found and determined that the establishment of the Development District, the creation of the Tax Increment Fund and the issuance of Bonds from time to time pursuant to the Tax Increment Financing Act, all for the purpose of providing funds to finance public infrastructure improvements as permitted thereunder, including, but not limited to, [the financing of the costs of parking facilities, roads, streets, sidewalks, lighting, recreational facilities and parks, water and sewer utilities and related infrastructure improvements], accomplishes the public purposes of the Tax Increment Financing Act, and generally promotes the health, welfare and safety of the residents of the State of Maryland and of the Town.

3. That a contiguous area of the Town consisting of the property set forth on Exhibit A attached hereto is hereby designated as a “development district” (to be known as the “Town of Elkton Development District”) pursuant to Section 12-203 of the Tax Increment Financing Act. The Development District shall consist of all of the real property within the corporate boundaries of the Town, and as further described in Exhibit A of this Resolution and all adjoining roads, highways, alleys, rights of way and other similar property in order to form a contiguous area as shown on the plat attached hereto as Exhibit

B and submitted to the Mayor and Commissioners of the Town of Elkton together with this Resolution. The boundaries of the Development District may be further specified or modified prior to and after the issuance of the Bonds as provided in Section 4 of this Resolution.

4. That prior to the issuance of the Bonds, the Mayor may, by executive order, reduce or enlarge the boundaries of the Development District or further specify the description of such boundaries. After the issuance of the Bonds, the Mayor, by executive order, may enlarge the boundaries of the Development District but may not reduce the size of such Development District so long as there are any Bonds outstanding pursuant to the Tax Increment Financing Act and this Resolution, unless the ordinance with respect to such Bonds permits the Town to reduce the area constituting the Development District or the holders of the Bonds or a representative on their behalf consents to any such reduction.

5. That there is hereby established a special fund to be designated the "Town of Elkton Development District Tax Increment Fund" (the "**Tax Increment Fund**") with respect to the Town of Elkton Development District and the Mayor and the Town Administrator of the Town are hereby directed and authorized to deposit in such Tax Increment Fund all taxes received by the Town for any Tax Year commencing after the effective date of this Resolution equal to that portion of the taxes payable to the Town (but not including any taxes payable to the State of Maryland or to any other party) representing the levy on the Tax Increment that would normally be paid to the Town. The Mayor and the Town Administrator and other officers and employees of the Town, to the extent applicable, are hereby authorized to take all necessary steps in order to establish a separate fund to be held by the Town. Prior to the issuance of the Bonds, the Tax Increment Fund may be used by the Town for any of the purposes set forth in Section 12-209 of the Tax Increment Financing Act, including payments to the Town for any legal purpose.

6. That Bonds may be issued from time to time pursuant to an ordinance or ordinances enacted in accordance with the Tax Increment Financing Act for the purpose of providing funds to finance public infrastructure improvements as permitted thereunder, including, but not limited to, [the financing of the costs of parking facilities, roads, streets, sidewalks, lighting, recreational facilities and parks, water and sewer utilities and related infrastructure improvements]. Such ordinance or ordinances shall specify, in general detail, the improvements to be financed through the issuance of the Bonds and the nature and extent of any pledge of Town revenues for the payment of debt service on the Bonds, and shall otherwise conform to the applicable requirements of the Tax Increment Financing Act and this Resolution.

7. That the Town hereby covenants and pledges that if any Bonds issued under the Tax Increment Financing Act with respect to the Development District are outstanding, the property taxes on real property within the Development District shall be divided so that (i) that portion of the taxes which would be produced by the rate at which taxes levied each year by the Town upon the Original Taxable Value shall be allocated to and when collected paid into the funds of the Town in the same manner as taxes by or for

the Town on all other property are paid and (ii) that portion of the taxes representing the levy on the Tax Increment that would normally be paid to the Town (but not including any taxes payable to the State of Maryland or to any other party) shall be paid into the Tax Increment Fund established hereunder to be applied in accordance with the provisions of Section 12-209 of the Tax Increment Financing Act. The Town acknowledges that neither the rate at which taxes are levied on real property within the Development District nor the manner of assessment of the value of real property within the Development District is to vary from the rate or manner of assessment that otherwise would have applied if the Development District were not designated and the Tax Increment Fund not created, except to the extent that a specific valuation adjustment is mandated by the Tax Increment Financing Act for real property that qualifies for farm or agricultural use.

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

9. That any inconsistent parts of Resolution R3-2022 and any other prior, inconsistent resolutions, or any parts thereof are hereby amended.

10. That this Resolution takes effect from the date of its adoption.

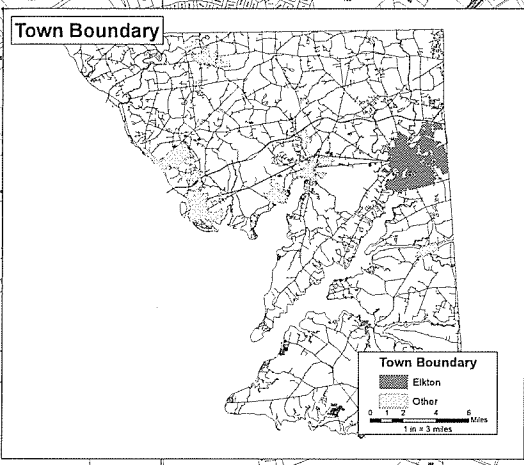
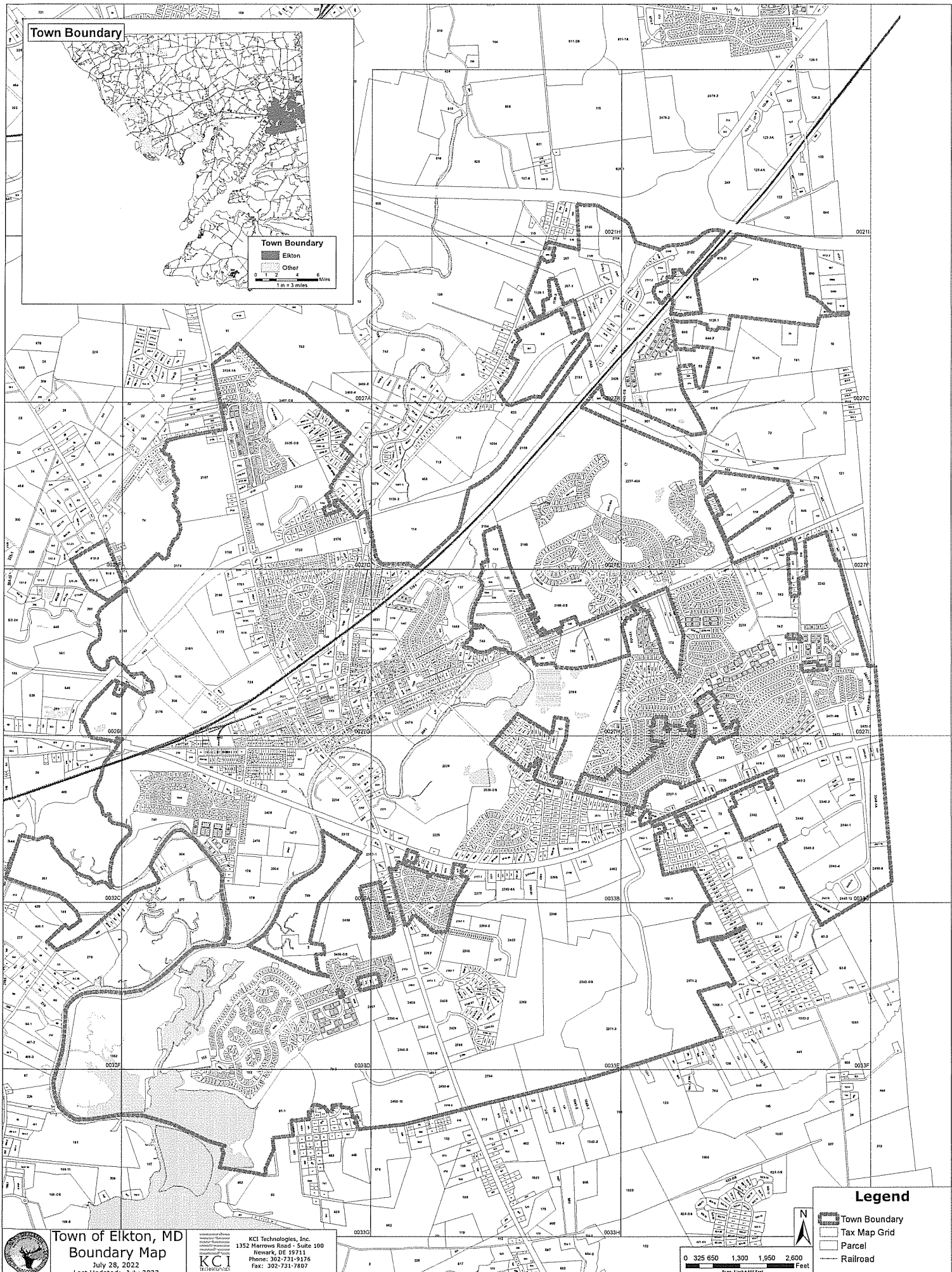
[Signature Page Follows]

READ AND PASSED THIS 18th DAY OF MAY, 2022

Mayor Robert J. Alt
Commissioner Jean A. Broomell
Commissioner Charles H. Givens, Sr.
Commissioner Robert M. Massimiano
Commissioner Earl M. Piner, Sr.

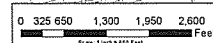
Exhibit A

Exhibit B



Legend

- Town Boundary
- Tax Map Grid
- Parcel
- Railroad



TO BE RECORDED
AMONG THE LAND RECORDS OF
CECIL COUNTY, MARYLAND

After Recording Return to:
Kimberly Min, Esquire
Whiteford Taylor Preston, L.L.P.
7 Saint Paul Street, Suite 1900
Baltimore, Maryland 21202

THIS DECLARATION is made as of this 8th day of June, 2022, by the Mayor and Commissioners of the Town of Elkton (the "Town of Elkton").

The property described in Exhibit A attached hereto is located within, and is a part of and subject to, the Southfields Special Taxing District (the "District"). This District was created pursuant to Resolution R8-2020 adopted by the Town of Elkton on December 16, 2020 ("Resolution R8-2020") for the purpose of financing certain public infrastructure and other improvements (the "Public Improvements") more particularly described in Resolution R9-2020 adopted by the Town of Elkton on December 16, 2020.

Pursuant to Resolution R8-2020, a special tax (the "Special Tax") will be levied upon all real property in the District, unless exempted by law or the provisions of Resolution R8-2020, for the payment of the principal, interest and other costs associated with special obligation bonds (the "Bonds") issued by the Town of Elkton and sold for the purpose of financing the Public Improvements.

The methodology for levying the Special Tax is set forth in Resolution R8-2020, including the Rate and Method of Apportionment of Special Taxes dated October 1, 2020 (the "Rate and Method") attached as Exhibit B to Resolution R8-2020.

If necessary, the Special Tax will be assessed for the taxable year beginning July 1, 2022, and each taxable year thereafter until all of the Bonds have been fully (i) repaid or rendered null and void; or (ii) at such other times as provided in the Rate and Method.

THE SPECIAL TAX IS CREATED BY AUTHORITY OF RESOLUTION R8-2020 AND SHALL BE DUE AND PAYABLE IN ACCORDANCE WITH RESOLUTION R8-2020 NOTWITHSTANDING WHETHER THE OWNER OF SUCH PROPERTY HAS ACTUAL NOTICE OF THIS DECLARATION OR RECEIVES THE DISCLOSURE DESCRIBED ABOVE.

Additional information concerning the District, the Special Tax, Bonds (if issued) and the name and address of the Administrator of the District, if any, may be obtained by contacting the Town Administrator at the following address:

Town of Elkton
Attn: Town Administrator
P. O. Box 157
100 Railroad Avenue
Elkton, Maryland 21922-0157

LR - Government 0.00
Instrument
Agency Name: Elkton
Maryland
Instrument List:
Declaration
Describe Other:
southfield
Ref:
Total: 0.00
06/10/2022 10:17 CC07-AB
#16307618 CC0202 -
Cecil
County/CC02.02.03 -
Register 03

TO BE RECORDED
AMONG THE LAND RECORDS OF
CECIL COUNTY, MARYLAND

After Recording Return to:
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Attn: Town Administrator
P. O. Box 157
100 Railroad Avenue
Elkton, Maryland 21922-0157

LR - Government 0.00
Instrument
Agency Name: Elkton
Party and
Instrument List:
Declaration
Describe Other:
Southfield
Ref:
Total: 0.00
08/10/2022 10:17
CC07-AB
#16307618 CC0202 -
Cec1
County/CC02-02-03 -
Register 03

The Special Tax has the same priority for payment as real property taxes under State of Maryland, Cecil County and Town of Elkton law. The Special Tax will be subject to the same penalties and the same procedure, sale and lien priority in case of delinquency as provided for real property taxes.

The Town may file amendments or supplements to this Declaration.

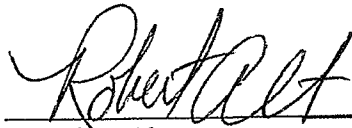
IN WITNESS WHEREOF, the Town of Elkton has caused this Declaration to be executed as of the date set forth above.

Attest:

TOWN OF ELKTON


LEWIS H. GEORGE JR.
TOWN ADMINISTRATOR

By:


Robert Alt
Mayor

(SEAL)

JUN 08 2022

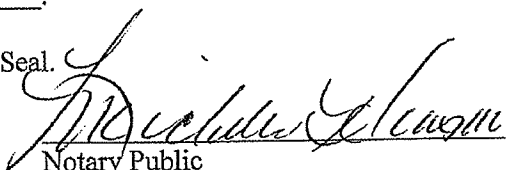
STATE OF MARYLAND

COUNTY OF CECIL:

I HEREBY CERTIFY that on this 8th day of June, 2022, before the subscriber, a Notary Public, personally appeared Robert J Alt, the Mayor of the Town of Elkton, known to me (or satisfactorily proven) to be the person whose name appears on the within instrument, and that he/she as such Mayor, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing his/her name in my presence as such _____.

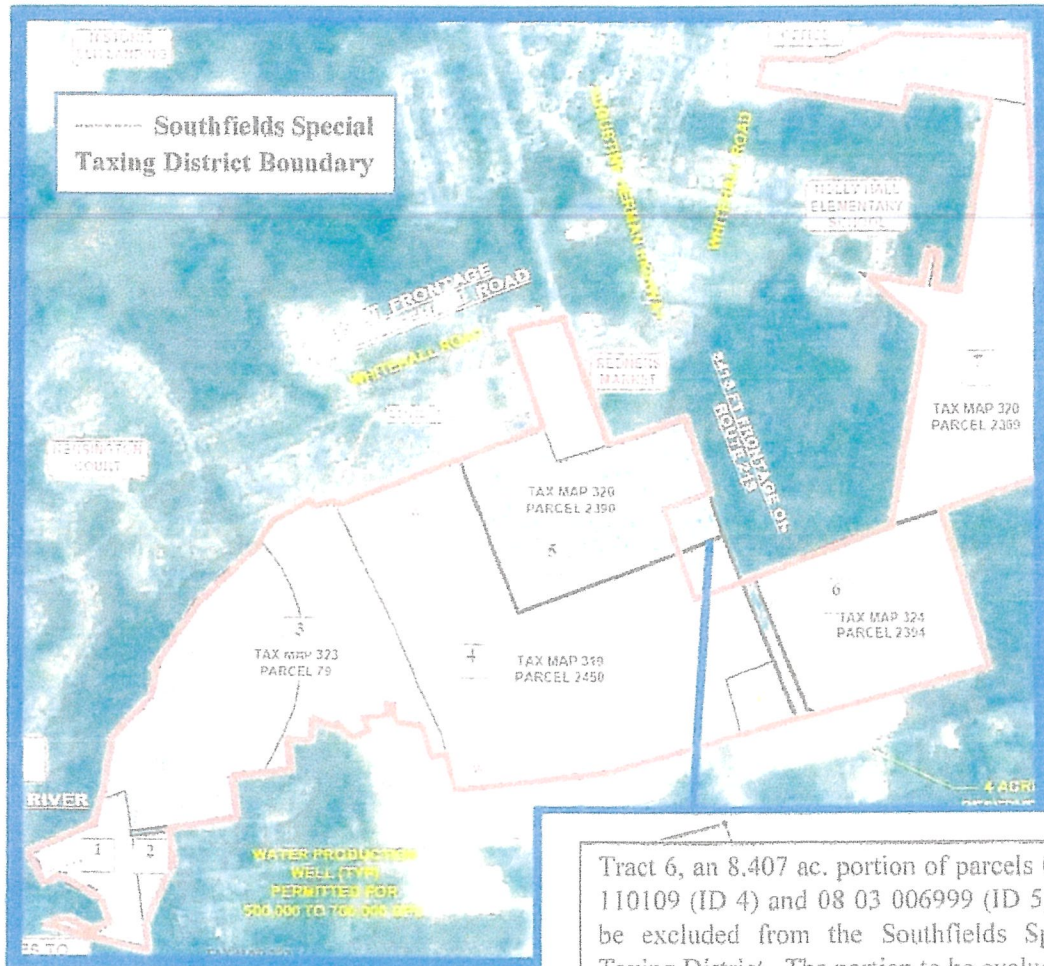
WITNESS my hand and Notarial Seal.

(Notary Seal)


Notary Public

My commission expires: 7/23/2023

Exhibit A
Southfields Special Taxing District
Tax Parcels and Boundary Map



Tract 6, an 8.407 ac. portion of parcels 08 03 110109 (ID 4) and 08 03 006999 (ID 5) will be excluded from the Southfields Special Taxing District. The portion to be excluded is shown below and outlined in red.

ID	Tax Parcel ID ¹	Acreage ¹
1	08 03 010902	10.32
2	08 03 019748	2.77
3	08 03 015955	68.13
4	08 03 110109	101.63
5	08 03 006999	46.57
6	08 03 006980	37.69
7	08 03 032590	59.66
Total		326.77

¹Source: Maryland Department of Assessment and Taxation.

