

CITY OF SALISBURY
WORK SESSION
JULY 7, 2014

Public Officials Present

Council President Jacob R. Day
Councilman Timothy K. Spies

Vice President Laura Mitchell
Councilwoman Terry E. Cohen (arrived 4:41 p.m.)

Public Officials Not Present

Mayor James Ireton, Jr.
Councilwoman Eugenie P. Shields

In Attendance

City Clerk Kimberly R. Nichols, CMC, City Administrator M. Thomas Stevenson, Jr., Internal Services Director Keith Cordrey, Public Works Director Mike Moulds, Public Works Deputy Director Amanda Pollack, Business Development Specialist Laura Kordzikowski, City Attorney Mark Tilghman, interested citizens and members of the press.

On June 7, 2014 Salisbury City Council convened in a Work Session at 4:30 p.m. in Council Chambers (Room 301) of the Government Office Building.

Bond Counsel Information Session

President Jake Day invited Sam Ketterman and Joe Mason, Senior Vice Presidents at Davenport & Company, LLC to the table to discuss the City of Salisbury's debt options.

Mr. Mason discussed the history of Davenport & Company, LLC which is a diverse brokerage firm with over 200 years of public finance experience providing financial advice and investment consulting services to their clients. He noted some of the services the firm provides include planning, pre-project modeling, and educating on various financing mechanisms including special taxing districts and general obligation bonds.

Mr. Mason explained that once the firm becomes familiar with the City's projects they will present options for an overall plan. Currently, construction costs and interest rates are favorable.

Mr. Day asked Messrs. Ketterman and Mason to plan to return in the near future to continue the open discussions with Council on the City's financial options. The attached booklet, provided by Davenport & Company, LLC as a discussion guide, is attached and made part of these minutes.

Request from Salisbury Coin Club to use City seal for commemorative coins

Mr. Ray Szmajda, Secretary of the Salisbury Coin Club, joined Council at the table and requested to use the Salisbury seal on a commemorative coin. The non-profit group plans to

distribute 100 commemorative coins as a tribute to the semi-centennial anniversary (50th year in existence) of the club.

Council reached unanimous consensus to permit Salisbury Coin Club to use the City seal on their commemorative coin.

Expansion of Henry S. Parker Sports Complex

Council was joined at the table by Wicomico County Recreation, Parks & Tourism Director Gary Mackes and Wicomico County Director of Administration Wayne Strausburg to discuss the County's request for the donation of 34.94 acres from the City to expand the Henry S. Parker Athletic Complex.

Points of discussion included the following:

- Facility is needed for additional soccer, lacrosse, and softball fields all situated at one location
- Wicomico County has secured \$1 million from the State and will match the funds
- Wicomico County expects \$10 million in economic activity over the next four years after the facility is built
- Traffic challenges during tournaments and how they would be dealt with (traffic will perhaps increase by 25% to 30%)
- Required easements that would need to be executed
- Funds are included in the grant for infrastructure for restrooms and snack stands
- Possibly leasing rather than donating the land to the County
- The next steps in the process would be for the County's law office to meet with Mr. Tilghman to discuss the details
- Scenic Drive would not be altered
- There's little residential in the immediate area
- Wicomico County will have a traffic study done
- What is the actual value of the land?
- Concerns about traffic since senior housing is nearby
- How many hotels are booked in the City during tournaments?
- What will happen to the bike trails?
- Liability and maintenance will be handled by Wicomico County
- To replicate the park as it exists now would cost approximately \$5 million, and hopes are to keep as many trees in the new section as possible

Council unanimously agreed for the Legal Department, Public Works and City Administration to work with the County to develop the agreement and perform the traffic study and analysis.

Approving Revolving Loan Applicant – Echelon Restaurant

Council President Day invited Dr. Chauwan Matthews to the table to discuss the loan for his restaurant, Echelon Southern Bistro and Lounge. City Administrator Tom Stevenson presented

the drafted resolution, explained the documents in the packet, and requested Council's approval to provide the loan from the City's Revolving Loan Fund in the amount of \$24,000.00. (This amount was changed on July 14, 2014 to \$24,560 to include the Attorney's processing fees)

After discussion, Council reached unanimous consensus to advance the resolution to the July 14, 2014 Legislative Session.

Ben's Red Swings Enhancement Project

Public Works Director Mike Moulds and Matt Drew joined Council to discuss the restroom project and the placement of a resilient surface under the swings and slides for the Ben's Red Swings Playground.

The proposed restroom location was identified on the site plan Mr. Moulds distributed to Council prior to the meeting (attached and made part of these minutes) and will be placed visually near the playground as a safety feature. It will house separate boys and girls restrooms and have a rear storage closet. Currently, the City provides portable bathrooms for the playground.

Mr. Drew explained that private donations would pay for the projects through the Zoo Commission the same way the playground was built. The design development would be done once all the funds are received (approximately \$50,000.00 needed) for the building. The building will be donated to the City upon completion.

Council discussion included: providing adequate exterior lighting on the building, locking the bathroom facilities in the evening, Zoo Commission approval of the project, targeted deadline for receiving funds, watershed from the roof of the building, and the establishment of a Community Foundation Endowment Fund for the Ben's Red Swings Playground.

Council reached unanimous consensus to approve moving forward with the bathroom project.

Riverside Drive & South Boulevard Bike Lanes

Amanda Pollack and City of Salisbury Project Engineer Paul Mauser joined Council to discuss the Riverside Drive and South Boulevard Bike Lanes project.

The ordinance will create the dedicated bike route running along Riverside Drive from West College Avenue to Mill Street and shared bike lanes on South Boulevard from Camden Avenue to Riverside Drive.

The resolution will accept \$32,440.00 from Maryland Department of Transportation Maryland Bikeways Program to create bike routes along Riverside Drive from the intersection of Riverside Drive and West College Avenue to the intersection of Riverside Drive and Mill Street, and along South Boulevard from the intersection of South Boulevard and Camden Avenue to the intersection of Riverside Drive and South Boulevard. The bike lanes will be re-striped and widened (in areas), new signage will be installed, and symbols and markings will be placed along the pavement as needed and per the standards.

After discussion, Council reached unanimous consensus to advance the resolution and ordinance to the July 28, 2014 Legislative Session.

MOU for acquisition of surplus federal property

Police Chief Barbara Duncan joined Council to discuss the draft resolution which would authorize her (Chief Duncan) to enter into an MOU with Defense Reutilization Marketing Office (DRMO) and authorizes Mayor Ireton to direct Chief Duncan to accept property from DRMO on behalf of the City of Salisbury until such time that it can be approved and recognized as an official City asset by City Council.

Council Vice President Mitchell suggested the resolution be amended to include the Mayor or his designee would be able to authorize Chief Duncan to accept property so that action can be taken quickly in order to get equipment when its available.

Council reached unanimous consensus to advance the resolution to legislative session.

Accepting WINTF Funds

Chief Duncan explained the resolution was to accept \$15,000.00 from the Wicomico County Narcotics Task Force (WINTF) to be used for the purchase of new equipment, and new Salisbury Police K-9 and to cover the cost for officer training.

Council reached unanimous consensus to advance the resolution to legislative session.

False Alarm Ordinance/Enhanced Call Verification

Mr. Stevenson re-capped Council's prior discussions about Enhanced Call Verification (ECV) because it was some time ago since they last discussed the drafted ordinance. He explained the proposed legislation does not apply to Fire, EMS, or intruder dispatch.

Mr. Stevenson discussed the following items with Council:

- Line 25 – the opportunity for appeal was added to the legislation.
- Line 28 and Lines 269 to 271 – Panic alarms prohibited was stricken (to permit panic alarms)
- Line 32 – strike “unnecessary”
- Line 35 – added Section 150 which is specific to ECV
- Line 89 – “Central Monitoring Station” concerns about obligation to have monitoring system
- Pages 2 to 4 – improvements made to “Definitions” beginning on page 2
- Line 100 – should include “internet” because it doesn't matter how they are connected
- Should Comcast's home monitoring systems be included
- Line 141 – Decided to go to calendar year, not just “12 consecutive months”

- Lines 162 to 164 – If a fine is issued, the appeal is the opportunity to request the case go before District Court
- Line 163 – strike “A procedure for appealing the denial of a license shall be established by the Police Department” and insert “In the case of a denial, the Police Department shall notify the applicant they can appeal according to a procedure established by the Police Department”
- Line 172 – Chief Duncan will research the list of users and report back to Council why the list is necessary
- Lines 230 to 237 – If a fee is issued by the City, that appeal can be appealed to the City Administration
- Lines 245 to 246 – strike “have someone check the building or to”
- Lines 247 to 248 – strike “Once this notification is made, the Police Department is relieved of any responsibility to respond to that alarm.”
- Line 244 – insert “within a reasonable amount of time,” after “location”
- Line 249 to 261 – “ Fire Department Actions” improvements are to be made similar to Line 240 – “Police Department Actions”
- Mr. Stevenson will contact Mr. Boltz about opting out of the ECV

Council reached unanimous consensus to discuss the changes incorporated in the ECV at an upcoming Work Session.

Council Discussion

Councilwoman Cohen commented on the following:

- The Traffic and Safety Commission’s recommendation that no parking signs be erected on a portion of Pinchurst Avenue
- Why were recent Community Legacy press releases sent on Mayor Ireton’s political letterhead?
- Asked Mr. Stevenson to check with Mayor Ireton to see what his intentions were in reference to Election Redistricting

Election Redistricting

City Attorney Tilghman stated that he called the ACLU to discuss coordination of the process, which led to a conversation whereby he ultimately has called the Justice Department six or seven times, spoken with several assistants, and can’t get anybody there to assist him. He is told who should help him, but that person does not return his calls.

Mr. Tilghman indicated the City has more than met the requirements of the law because the minority representation has increased with the proposed redistricting plan. He called the Justice Department to ask if anything else had to be done, but can’t get anyone to return his calls.

Fire Agreement

Ms. Cohen stated she requested a draft of the Fire Service Agreement some time ago, and understands that it is an executive matter, but is concerned that a candidate for County

Council (Mrs. Mitchell) is also representing the City in this mediation because it seems awkward for someone who has a vested interest in the County business also be representing the City's interest on a mediation team.

Mr. Day did not think the mediation team would meet until after the election. Ms. Cohen indicated that since one member of the Council now is privy to the drafted Fire Service Agreement that all of City Council should be able to review it, and it would be beneficial to discuss and agree upon points before the parties go into the mediation.

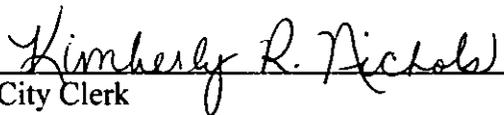
Burglaries and Trespassing

Councilman Spies indicated state law calls for posting areas with "Keep Out" or "No Trespassing" signs but asked if the City could consider codifying something to address situations where if someone is in a yard and does not belong there, they are trespassing without having to have a sign posted. It seems disturbing for front porches to have these signs posted in order to keep trespassers off.

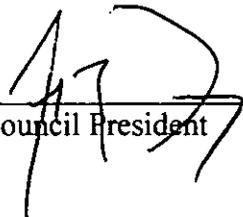
According to Mr. Tilghman, state law protects the property owner and the person who might unknowingly wander onto your property, and the City can't contradict state law. Clearly, if someone crosses over a yard, the law wants to protect the person from their own ignorance that they may be trespassing, but Mr. Tilghman would look into the matter and report back.

Adjournment

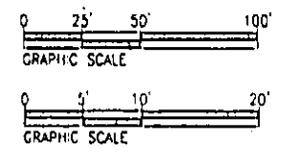
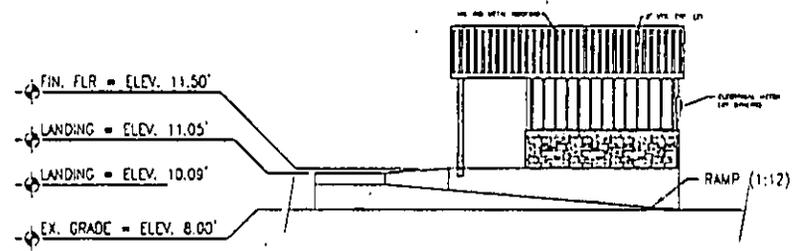
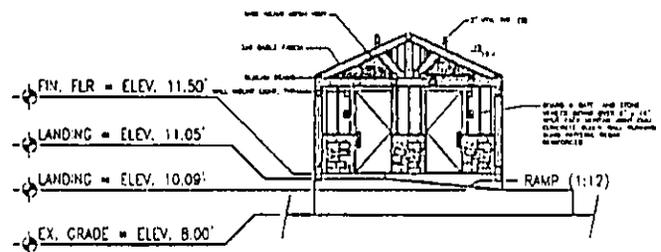
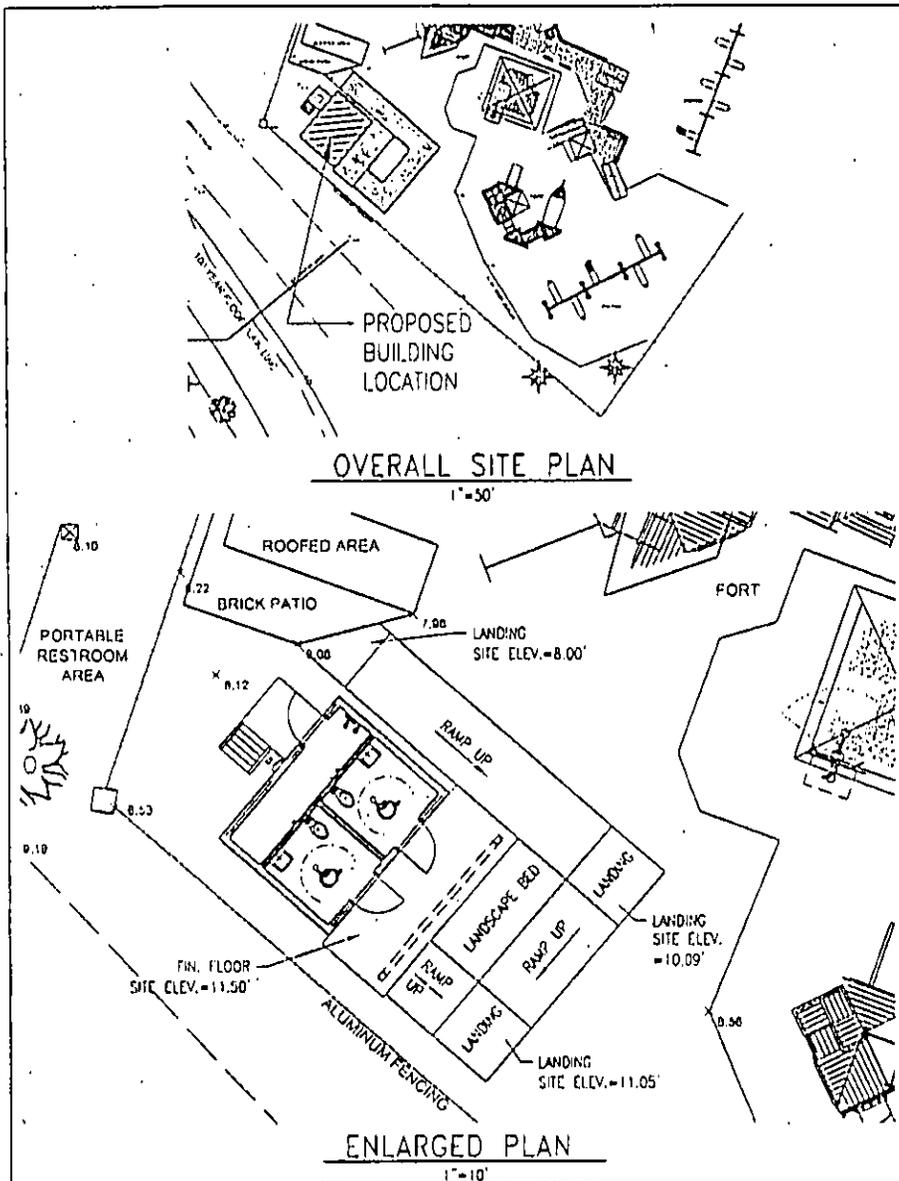
President Day adjourned the Work Session at 7:50 p.m.



City Clerk



Council President



Engineers/Architects
 1542 Northwood Drive
 Salisbury, MD 21801-1824
 (410) 742-1725

ELLY'S REST ROOMS - PROPOSED RESTROOM FACILITY
 JOB NO. _____
 DATE _____
 DRAWN BY _____
 CHECKED BY _____
 SCALE AS NOTED



Discussion Materials Prepared for: Salisbury, Maryland

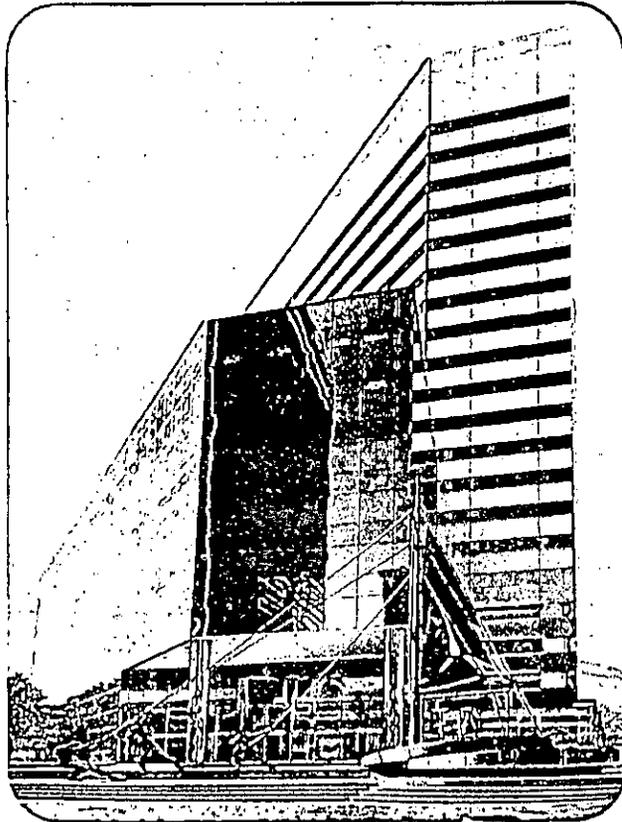


July 7, 2014

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- Appendix A: Anne Arundel County TIF Policy
- Appendix B: Prince George's County TIF Policy

Davenport & Company LLC

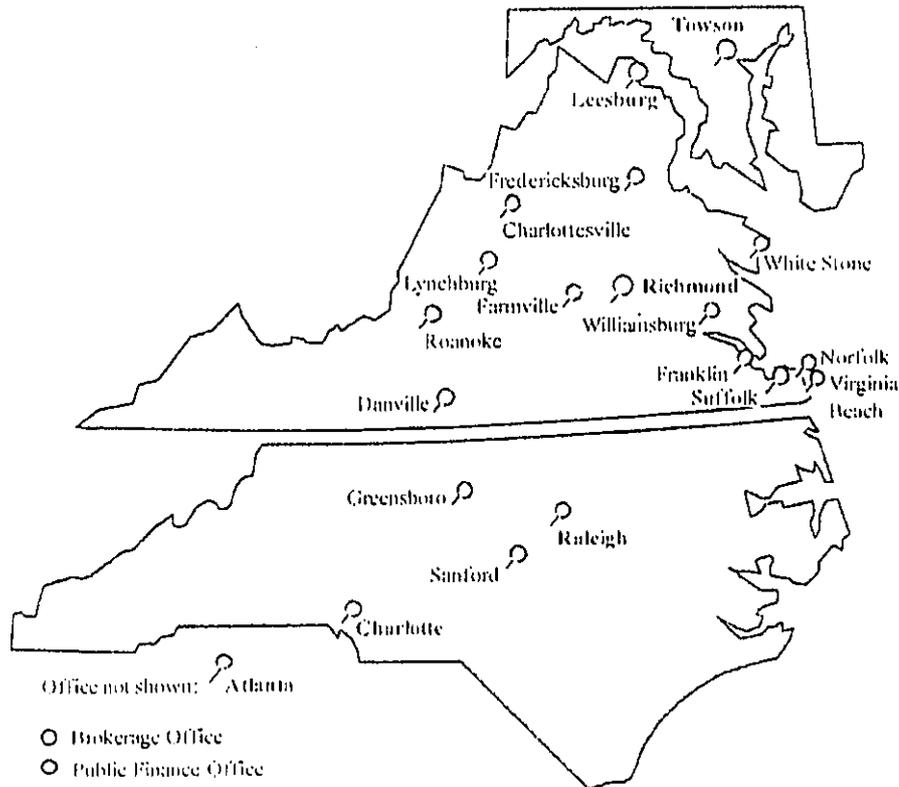


Overview

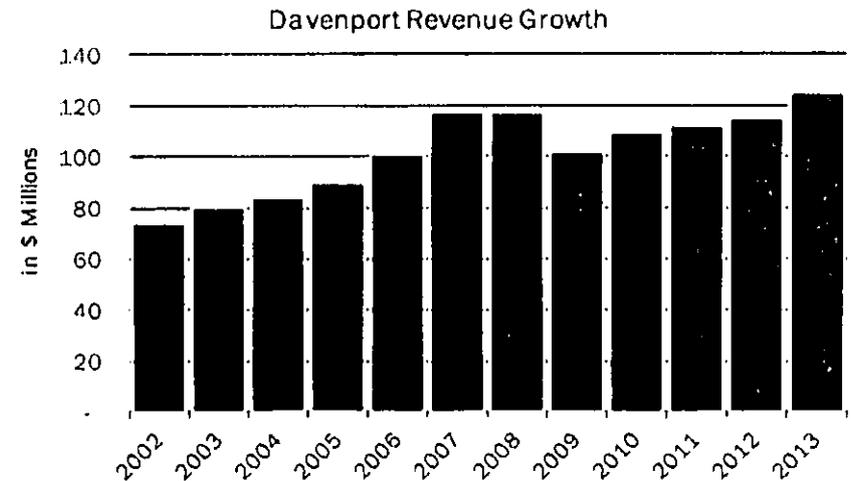
Davenport & Company LLC is a privately held, Virginia based, investment firm with a group specializing in providing financial services to states, agencies, counties and municipalities.

During the past 10 years Davenport has served as Financial Advisor on more than 1,300 transactions aggregating \$31.1 billion.

Public Finance Overview



Davenport & Company LLC provides financial advice and investment consulting services to clients in the Mid-Atlantic region.



Key Statistics

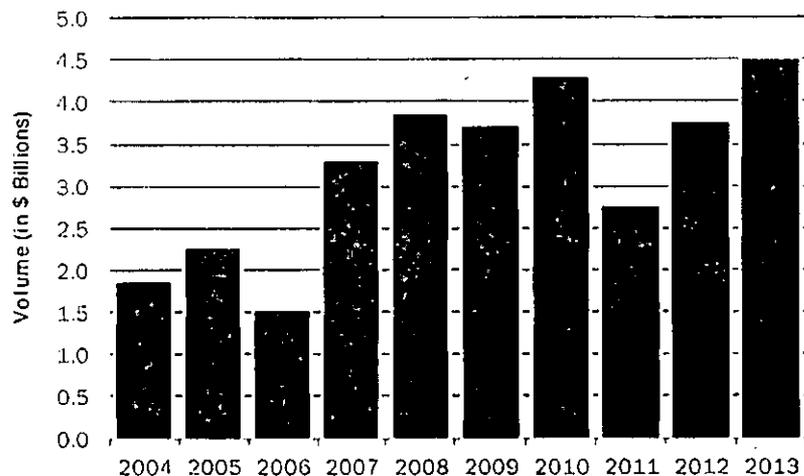
| | |
|----------------|----------------|
| Founded: | 1863 |
| Employees: | 400+ |
| Client Assets: | \$16.9 Billion |
| Firm Assets: | \$85.7 Million |
| Firm Capital: | \$36.6 Million |

Major Business Concentrations

- Public Finance
- Asset Management
- Investment Consulting
- Retail Brokerage
- Equity Research

Public Finance Overview

Financial Advisory Volume



Davenport's clients benefit from our staff's combined 200 years of public finance experience and diverse analytical skills.

Senior Vice Presidents

James E. Sanderson, Jr.
 Edward F. Cole, III ⁽²⁾
 A. Samuel Ketterman
 Joseph D. Mason

James M. Traudt ^{(1) (2)}
 David P. Rose ^{(1) (2)}
 Roland M. Kooch
 Courtney E. Rogers ⁽²⁾

First Vice Presidents

Robert M. High
 Robert L. Morrison

Kyle A. Laux

Vice Presidents

B. Mitchell Brigulio, Jr.

Ty Wellford, Jr.

Associate Vice Presidents

Philip R. Weisshaar

Analysts

Charles Habilston
 Douglas J. Gebhardt
 Griffin Moore
 Leah C. Schubel

Caroline K. Heggie
 Mason McLean

Research Assistants

Linda A. Moran

Caitlyn D. Powitz

⁽¹⁾ Manager

⁽²⁾ Board of Directors

Regional Rankings | Top Financial Advisors

| Financial Advisor Transactions Virginia, North Carolina, & Maryland | | | | | | | |
|--|---------------------------------|------|------|------|------|------|-------|
| Rank | Company | 2009 | 2010 | 2011 | 2012 | 2013 | Total |
| 1 | Davenport & Company LLC | 52 | 61 | 35 | 60 | 57 | 265 |
| 2 | Public Financial Management Inc | 40 | 40 | 44 | 61 | 39 | 224 |
| 3 | DEC Associates Inc | 29 | 16 | 13 | 16 | 15 | 89 |
| 4 | Public Resources Advisory Group | 17 | 12 | 11 | 22 | 11 | 73 |
| 5 | Caine Mitter & Associates Inc | 10 | 12 | 11 | 10 | 8 | 51 |
| 6 | BB&T Capital Markets | 17 | 11 | 7 | 10 | 5 | 50 |
| 7 | FirstSouthwest | 9 | 11 | 12 | 7 | 10 | 49 |
| 8 | Strategic Solutions Center | 3 | 10 | 10 | 13 | 11 | 47 |
| 9 | Public Advisory Consultants | 9 | 7 | 7 | 9 | 12 | 44 |
| 10 | Kaufman Hall & Associates Inc | 6 | 7 | 2 | 10 | 4 | 29 |

| Financial Advisor Volume (in \$ Millions) North Carolina, Virginia & Maryland | | | | | | | |
|--|---------------------------------|-------|-------|-------|-------|-------|--------|
| Rank | Company | 2009 | 2010 | 2011 | 2012 | 2013 | Total |
| 1 | Public Financial Management Inc | 4,449 | 2,304 | 4,252 | 5,139 | 3,600 | 19,744 |
| 2 | Davenport & Company LLC | 2,069 | 2,023 | 1,324 | 2,160 | 2,669 | 10,244 |
| 3 | Public Resources Advisory Group | 1,649 | 599 | 1,749 | 2,592 | 1,409 | 7,997 |
| 4 | FirstSouthwest | 1,669 | 783 | 1,983 | 978 | 1,740 | 7,153 |
| 5 | DEC Associates Inc | 1,823 | 569 | 547 | 647 | 961 | 4,547 |
| 6 | Ponder & Co | 1,016 | 655 | 81 | 1,369 | - | 3,121 |
| 7 | Public Advisory Consultants | 549 | 315 | 656 | 443 | 1,115 | 3,078 |
| 8 | BB&T Capital Markets | 1,098 | 454 | 398 | 711 | 291 | 2,952 |
| 9 | Kaufman Hall & Associates Inc | 452 | 718 | 110 | 843 | 268 | 2,392 |
| 10 | Strategic Solutions Center | 240 | 205 | 198 | 801 | 598 | 2,041 |

Source: Thomson Financial

Note: Public market transactions only, does not include direct bank loan transactions.

National Rankings | Top Financial Advisors

Davenport has consistently ranked in the top ten financial advisory firms nationally over the past six years.

Top Financial Advisors: Full Year 2009 Nationwide: All Competitive Issues

| Rank | Company | \$MM |
|------|-----------------------------------|---------|
| 1 | Public Financial Management Inc | 9,972.0 |
| 2 | Public Resources Advisory Group | 3,877.9 |
| 3 | First Southwest Co. | 2,863.2 |
| 4 | Seattle-Northwest Securities Corp | 2,263.3 |
| 5 | Springsted Inc. | 1,919.8 |
| 6 | Montague DeRose & Associates LLC | 1,710.9 |
| 7 | Ross Sinclair & Associates LLC | 1,639.1 |
| 8 | RBC Capital Markets | 1,470.0 |
| 9 | Ehlers & Associates | 1,398.9 |
| 10 | Davenport & Company LLC | 1,205.2 |

Top Financial Advisors: Full Year 2012 Nationwide: All Competitive Issues

| Rank | Company | \$MM |
|------|-----------------------------------|----------|
| 1 | Public Financial Management Inc | 13,887.4 |
| 2 | Public Resources Advisory Group | 8,231.2 |
| 3 | Seattle-Northwest Securities Corp | 3,496.4 |
| 4 | First Southwest Co. | 3,415.3 |
| 5 | Springsted Inc. | 2,540.4 |
| 6 | Montague DeRose & Associates LLC | 2,244.2 |
| 7 | Ehlers & Associates | 1,847.1 |
| 8 | Acacia Financial Group Inc. | 1,322.3 |
| 9 | Lamont Financial Services Corp. | 1,285.9 |
| 10 | Davenport & Company LLC | 1,266.5 |

Top Financial Advisors: Full Year 2008 Nationwide: All Competitive Issues

| Rank | Company | \$MM |
|------|-----------------------------------|----------|
| 1 | Public Financial Management Inc | 10,406.7 |
| 2 | First Southwest Co. | 3,265.1 |
| 3 | Public Resources Advisory Group | 2,808.3 |
| 4 | Seattle-Northwest Securities Corp | 2,191.1 |
| 5 | Springsted Inc. | 1,570.6 |
| 6 | Ehlers & Associates | 1,390.3 |
| 7 | RBC Capital Markets | 1,366.7 |
| 8 | Nevada State Bank Public Finance | 1,262.0 |
| 9 | Montague DeRose & Associates LLC | 1,007.9 |
| 10 | Davenport & Company LLC | 906.7 |

Top Financial Advisors: Full Year 2010 Nationwide: All Competitive Issues

| Rank | Company | \$MM |
|------|-----------------------------------|----------|
| 1 | Public Financial Management Inc | 15,149.7 |
| 2 | Public Resources Advisory Group | 6,700.6 |
| 3 | First Southwest Co. | 4,566.2 |
| 4 | Springsted Inc. | 2,213.2 |
| 5 | Seattle-Northwest Securities Corp | 2,175.9 |
| 6 | Montague DeRose & Associates LLC | 1,714.1 |
| 7 | Ehlers & Associates | 1,656.3 |
| 8 | Ross Sinclair & Associates LLC | 1,647.9 |
| 9 | Piper Jaffray & Co. | 1,493.5 |
| 10 | Davenport & Company LLC | 1,428.1 |

Top Financial Advisors: Full Year 2013 Nationwide: All Competitive Issues

| Rank | Company | \$MM |
|------|----------------------------------|----------|
| 1 | Public Financial Management Inc | 12,895.6 |
| 2 | Public Resources Advisory Group | 9,895.2 |
| 3 | First Southwest | 5,125.3 |
| 4 | Piper Jaffray & Co | 3,476.0 |
| 5 | Davenport & Company LLC | 1,986.2 |
| 6 | KNN Public Finance | 1,665.3 |
| 7 | Montague DeRose & Associates LLC | 1,476.3 |
| 8 | Acacia Financial Group Inc. | 1,403.4 |
| 9 | Stephens Inc | 1,381.0 |
| 10 | Springsted Incorporated | 1,349.0 |

Source: Thomson Reuter's "AT7c" League Table

Services Provided

Planning and Analytical Services

- Strategic Planning
 - Financial Policies
 - Alternative Financing Structures
 - Strategic Financial Plan
 - Monitoring Refunding Opportunities
 - Analytics
 - Quantitative Analysis
 - Financial Pro Forma
 - Debt Capacity Analysis
 - Peer Group Comparisons
 - Debt Structure
 - Debt Management Analysis
 - Computer Simulation Models
 - Cash Management Analytics
-

Investment Consulting

- Investment Policies
 - Investment Strategy
 - Cash Flow Forecasting
 - Management Reporting and Interface
 - Investment of Bond Proceeds
-

Credit Ratings

- Documentation
 - Written Credit Presentation
 - Comparative Analysis
 - Analyst Meetings
 - Follow Up
-

Transactional Services

- Time Schedule
 - Bond Covenants
 - Disclosure
 - Market Conditions
 - Bank Placements
 - Method of Sale
 - Competitive/Negotiated Sale Mechanics
 - Issue Structure
 - Mailings Lists
 - Pre-Sale Marketing
 - Analyze Bids/Pricing
 - Post-Sale Analysis
 - Closing
-

Representative Engagements

Virginia

- Virginia Resources Authority
- Loudoun County
- City of Alexandria
- City of Richmond
- City of Lynchburg
- Loudoun County Sanitation Authority
- Prince William Co Sanitation Authority
- Upper Occoquan Sewage Authority
- Richmond Metropolitan Authority
- Richmond Metropolitan Authority
- Richmond International Airport

Maryland

- Maryland State Treasurer
- Maryland Transportation Authority
- Maryland GARVEEs
- Montgomery County
- Md National Capital Parks Comm
- Frederick County
- Carroll County

North Carolina

- State of North Carolina
- Wake County
- City of Raleigh
- New Hanover County
- City of Wilmington
- City of High Point
- Johnston County
- Guilford County
- Town of Cary

Public Offerings
Private Placements
Refundings
Investment Mgmt
Interest Rate Swaps

Market Related Services

| | Public Offerings | Private Placements | Refundings | Investment Mgmt | Interest Rate Swaps |
|--|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| Virginia Resources Authority | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Loudoun County | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| City of Alexandria | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| City of Richmond | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| City of Lynchburg | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Loudoun County Sanitation Authority | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Prince William Co Sanitation Authority | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Upper Occoquan Sewage Authority | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Richmond Metropolitan Authority | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Richmond Metropolitan Authority | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Richmond International Airport | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Maryland State Treasurer | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Maryland Transportation Authority | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Maryland GARVEEs | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Montgomery County | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Md National Capital Parks Comm | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Frederick County | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Carroll County | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| State of North Carolina | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Wake County | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| City of Raleigh | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| New Hanover County | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| City of Wilmington | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| City of High Point | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Johnston County | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Guilford County | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Town of Cary | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

Cash Flow Analysis
Financial Forecasting
Debt Capacity
Economic Devel.
Funding Strategies
Capital Program
Financial Policies

Analytical Services

| | Cash Flow Analysis | Financial Forecasting | Debt Capacity | Economic Devel. | Funding Strategies | Capital Program | Financial Policies |
|--|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| Virginia Resources Authority | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Loudoun County | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| City of Alexandria | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| City of Richmond | <input checked="" type="checkbox"/> |
| City of Lynchburg | <input checked="" type="checkbox"/> |
| Loudoun County Sanitation Authority | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Prince William Co Sanitation Authority | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Upper Occoquan Sewage Authority | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Richmond Metropolitan Authority | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Richmond Metropolitan Authority | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Richmond International Airport | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Maryland State Treasurer | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Maryland Transportation Authority | <input checked="" type="checkbox"/> |
| Maryland GARVEEs | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Montgomery County | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Md National Capital Parks Comm | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Frederick County | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Carroll County | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| State of North Carolina | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Wake County | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| City of Raleigh | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| New Hanover County | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| City of Wilmington | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| City of High Point | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Johnston County | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Guilford County | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Town of Cary | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |

Credit Analysis
Credit Ratings
Bond Insurance
Letter of Credit
Rating Upgrade
New Credit

Credit Related Services

| | Credit Analysis | Credit Ratings | Bond Insurance | Letter of Credit | Rating Upgrade | New Credit |
|--|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| Virginia Resources Authority | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Loudoun County | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| City of Alexandria | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| City of Richmond | <input checked="" type="checkbox"/> |
| City of Lynchburg | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Loudoun County Sanitation Authority | <input checked="" type="checkbox"/> |
| Prince William Co Sanitation Authority | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Upper Occoquan Sewage Authority | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Richmond Metropolitan Authority | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Richmond Metropolitan Authority | <input checked="" type="checkbox"/> |
| Richmond International Airport | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Maryland State Treasurer | <input type="checkbox"/> |
| Maryland Transportation Authority | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Maryland GARVEEs | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Montgomery County | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Md National Capital Parks Comm | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Frederick County | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Carroll County | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| State of North Carolina | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Wake County | <input type="checkbox"/> |
| City of Raleigh | <input type="checkbox"/> |
| New Hanover County | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| City of Wilmington | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| City of High Point | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Johnston County | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Guilford County | <input type="checkbox"/> |
| Town of Cary | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Select Clients Served

- Davenport has evolved into one of the top municipal finance firms with a broad range of clients and engagements.

Maryland:

Aberdeen, City of
 Allegany County
 Annapolis, City of
 Bowie, City of
 Calvert County
 Caroline County
 Carroll County
 Cecil County
 Charles County
 Enston, Town of
 Frederick County
 City of Frederick
 City of Frostburg
 Maryland Transportation Authority
 Montgomery County
 Ocean City, Town of
 St. Mary's County
 Wicomico County
 Worcester County

Virginia:

Albemarle County
 Blacksburg, Town of
 Botetourt County
 Culpeper, Town of
 Danville, City of
 Dinwiddie County
 Fairfax County EDA (Rt. 28 Project)
 Fairfax County, Water
 Fairfax, City of
 Fauquier County
 Fluvanna County
 Franklin County
 Franklin, City of

Virginia Continued

Hampton, City of
 Harrisonburg, City of
 Hopewell, City of
 Isle of Wight County
 James City County
 James City County Service Auth.
 King George County
 Leesburg, Town of
 Liberty University
 Loudoun County
 Loudoun County Sanitation Auth.
 Manassas Park, City of
 Meherrin River Regional Jail Auth.
 Montgomery County
 New River Valley Reg. Jail Auth.
 Northern VA Criminal Justice Academy
 Orange County
 Patrick County
 Pittsylvania County
 Portsmouth, City of
 Prince William County Serv. Auth.
 Richmond Metropolitan Authority
 Richmond Utilities
 Richmond, City of
 Rivanna Water and Sewer Auth.
 Southampton County
 Southwest VA Regional Jail Auth.
 Spotsylvania County
 Spotsylvania County Water & Sewer

Virginia Continued

Suffolk, City of
 Upper Occoquan Sewage Auth.
 Vienna, Town of
 Warren County
 Washington County
 Williamsburg, City of

North Carolina:

Apex, Town of
 Burlington, City of
 Burlington, City of, Water & Sewer
 Clayton, Town of
 Durham County Water & Sewer
 Edgecombe County
 Fuquay-Varina, Town of
 Garner, Town of
 Gaston County
 Greenville, City of
 Hickory, City of
 High Point, City of
 High Point, City of, Water & Sewer
 Johnston County
 Moore County
 Morrisville, Town of
 Nash County
 Salisbury, City of
 Wake Forest, Town of
 Wayne County
 Wilson, City of

¹ Does not include rating upgrades as a result of Moody's or Fitch's rating recalibrations.





Resumes

Resume – A. Samuel Ketterman



A. Samuel Ketterman
Senior Vice President
Public Finance

Maryland Executive Park
8600 LaSalle Road, Ste 324
Towson, MD 21286
(410) 926-9426 *office*
(804) 697-2910 *fax*

sketterman@investdavenport.com

Position at Davenport:

- Senior Vice President

Number of Years Experience:

- Municipal Finance Industry: 33
- Providing Financial Advisory Services: 33
- Years with Davenport: 14

Experience:

- Senior Vice President, Davenport & Company 2000 - Present
- Managing Director, H.C. Wainwright & Co. 1994-2000
- Vice President, Alex Brown & Sons, Inc. 1981-1994
- Investment Supervisor, Baltimore County 1972 - 1981
- Loan Officer, Savings Bank of Baltimore 1968-1972

Education:

- Johns Hopkins University 1964-1968

Resume – Joseph D. Mason

| | |
|---|---|
|  <p>EST. 1867 • MEMBER NYSE • FINRA • SIPC</p> | <p>Joseph D. Mason <i>Senior Vice President Public Finance</i></p> <p>Lansdowne Town Center, Bldg. N 19301 Winneade Dr., Ste. 218 Leesburg, VA 20176 (571) 223-5893 office (804) 549-4900 fax</p> <p>jmason@investdavenport.com</p> |
|---|---|

Position at Davenport:

- Senior Vice President

Number of Years Experience:

- Municipal Finance Industry: 16
- Providing Financial Advisory Services: 8
- Years with Davenport: 8

Experience:

- Senior Vice President, Davenport & Company 2006 - Present
- Senior Director, Fitch Ratings 1998-2005
- Senior Bond Analyst, IL Bureau of the Budget 1996-1998
- Budget Analyst, IL Bureau of the Budget 1994-1996
- Budget Analyst, U.S. Dept. of Veterans Affairs 1992-1994

Education:

- The American University 1991-1993
- University of Wisconsin - Madison 1987-1991



Tax District & Economic Development
Financing: Experience and Services Provided

Maryland CDA / Special Tax District Experience

| Issuer | Year | Principal Amount | Issue / Project |
|-------------------------|-------------|--------------------------------|---|
| City of Annapolis | 2013 | \$17,815,000 | Park Place Refunding (Refunding of Series 2005A and B) |
| | 2005 | \$25,000,000 | Park Place Project (Series 2005A and B) |
| Anne Arundel County | 2004 | \$30,350,000 | Arundel Mills Project |
| | 2004 | \$15,655,000 | National Business Park Project |
| | 2004 | \$2,570,000 | Nursery Road Project |
| | 2003 | \$9,889,997 | Villages of Dorchester Project |
| | 2003 | \$6,083,242 | Villages of Dorchester Project |
| | 2000 | \$14,000,000 | National Business Park |
| | 1999 | \$28,000,000 | Arundel Mills Project |
| 1998 | \$6,222,000 | Farmington Village Project | |
| City of Brunswick | 2006 | \$36,310,000 | Brunswick Crossing Special Taxing District |
| City of Frederick | 1999 | \$2,500,000 | Monocacy Boulevard Extension Project |
| Frederick County | 2013 | \$40,000,000 | Jefferson Technology Park TIF |
| | 2013 | \$57,910,000 | Oakdale TIF (in progress) |
| | 2010 | \$77,675,000 | Special Obligation Bonds (Urbana CDA), Series 2010A Refunding |
| | 2010 | \$20,020,000 | Special Obligation Bonds (Urbana CDA), Series 2010B Refunding |
| | 2004 | \$26,513,000 | Urbana CDA, Series 2004A |
| | 2004 | \$6,461,000 | Urbana CDA, Series 2004B |
| 2001 | \$6,730,000 | Villages of Lake Linganore CDA | |
| Prince George's County: | | | |
| City of Bowie | 2014 | TBD | Karington TIF |
| Town of Riverdale Park | 2014 | \$4,000,000 | Riverdale Park TIF (preliminary) |

Davenport's Role as Financial Advisor for Special Districts

- Develop a series of Policy Guidelines addressing general policy considerations, as well as key topics (e.g., level of debt and debt-to-value ratios).
- Using threshold criteria for special districts, act as “gatekeeper” by evaluating new special district proposals and summarizing relative strengths and weaknesses of each project.
- Assist the jurisdiction and its consultants in measuring the fiscal impact, both positive and negative, associated with the proposed development, including the General Fund, Utility Fund(s), and other funds as appropriate.
- Assist the jurisdiction in the assessment of any costs that are project-related and work with its other consultants to develop and negotiate developer proffers/exactions and/or other cost-offsetting considerations.



Davenport's Role as Financial Advisor for Special Districts

- Assist in measuring the fiscal impact on jurisdiction's finances associated with providing services and capital infrastructure as necessitate by the proposed development.
- Assist in communication with rating agencies to determine potential impacts associated with projects.
- General project financing oversight and working group coordination.
- Assistance with debt structuring.
- Underwriter selection and negotiations and bond trustee selection and negotiations.

Davenport's Role as Financial Advisor for Special Districts

- Assistance with the drafting and review of offering and disclosure documents including Preliminary and Final Limited Offering Memoranda, Trust Indenture, Market and Feasibility Studies, Engineering Report, Agreement Among Underwriters and the Bond Purchase Agreement.
- Pre-pricing and pricing oversight.
- Development an analysis of bond proceed investment alternatives.
- Closing and settlement flow of funds verification.



Benefits of CDAs / Special Tax Districts

- Practical tool for development of limited areas by charging only those that benefit from projects financed.
- No direct burden to larger community or tax base.
- No use of general fund money.
- Potential to encourage infrastructure development and increase the tax base.
- Quicker build-out of infrastructure - developer can provide projects up front instead of piece meal.
- Can assist in meeting municipality's future plans.
- Developer can borrow at lower tax-exempt, fixed rates for a longer time than in the commercial market.



Considerations of CDAs / Special Tax Districts

- Growth can strain municipal resources- accelerate residential growth and implications of that growth.
- Credit Considerations
 - CDA debt will be considered overlapping debt and can be a credit concern to rating agencies and bank lenders.
- Locality will be required to collect special assessments/taxes on behalf of the CDA and may require additional staff time.
- Residential versus Commercial Development
 - Historically, many CDAs have been commercial developments. Some included minor residential components.
 - Current trend has been to utilize CDAs for major residential developments.
 - Residential tax rate differentials can create future tax fairness/political issues.

Considerations of CDAs / Special Tax Districts

- Practical concern of some governing bodies, include: (1) CDA landowners may become vocal when problems occur in the future and complain about the assessments on a more slowly developing project, and (2) lack of support for general obligation debt of the jurisdiction.
- Concern over security of development and repayment of CDA debt, in particular during the early stages of the development.
- Local governing bodies should provide for competent finance and bond counsel professionals to advise them in the structuring of the CDA, the financing methods, the concerns and potential problems of feasibility studies, etc. to try to avoid the over-leveraged or highly speculative development.



Tools to Assist Locality on Creation and Approval

- Policy Guidelines
 - General Policies - Set forth criteria for consideration of CDAs, prevents burden on staff time.
- Education of Officials/Unbiased Oversight of CDA Financing Process
 - Legal counsel
 - Financial Advisor to locality/CDA
- Professional Partners Involved in CDA Financing:

Municipal Attorney

Developer

Financial Advisor

Bond Counsel

CDA Legal Counsel

Underwriter

Trustee

Underwriter's Counsel

Trustee Counsel

Appendix A
Anne Arundel County TIF Policy

POLICY GUIDELINES FOR TAX INCREMENT DISTRICTS

(8/2/98)

Because tax increment districts are essentially a dedicated funding technique utilizing general fund revenues for funding capital projects, the financial tests utilized are tied to the existing County debt affordability guidelines. However, because the purpose of creating a Tax Increment District is to generate economic development which will enhance County revenues beyond the debt service requirements, and because general County property tax revenues beyond the increment generated within the district are not pledged to support the debt, the County's debt affordability guidelines will take into consideration the distinction between general County debt and tax increment debt.

General Guideline

These guidelines relate to specific developer proposed projects. Any proposed development project that intends to utilize tax increment financing must be in concert with the County's General Development Plan and provide significant new permanent employment opportunities to the County's citizens. The proposed improvements to be financed shall be public improvements that will not solely benefit the specific development project, but be an enhancement that benefits the general public. The administrative costs of any proposed developer project shall be borne by the developer.

Development Project Proposal

Any development project that intends to utilize Tax Increment Financing to finance public improvements must be able to demonstrate that the incremental real property tax revenues generated by the development project will be sufficient to pay the principal and interest of the debt issue according to the debt service schedule of the debt offering. The proposed development project should also demonstrate an ability to generate additional County revenues in excess of debt service requirements of the tax increment financing of at least 50%. The developer must also demonstrate that the project is economically feasible, and has a high likelihood of being a successful project.

Due Diligence

A due diligence investigation performed by the County or its agents must confirm information regarding the reputation of the developers of the project, the property owners, and the prospective occupants of the project. The investigation shall also include a review of the developer's and property owner's financial resources to sustain the project's proposed financing.

Credit Enhancement

A development project that wishes to utilize tax increment financing to build necessary public improvements shall utilize a credit enhancement mechanism for the debt issued in order to protect the county's taxpayers. The credit enhancement provided can take the form of a third

party guaranty satisfactory to the county, a special taxing district legally tied and coincident to the development project which is generating the need for the public improvements, a letter of credit, posting of satisfactory collateral, or other credit enhancement vehicle that is satisfactory to the county.

Issue Limitations

Because tax increment financings are to be self supporting, and offer the further protection of a credit enhancement mechanism, the impact of tax increment financings on the overall county debt affordability is mitigated. Accordingly, the county's debt affordability guidelines should take into account these mitigating factors of tax increment financings, while they are included in the county's overall debt affordability determination.

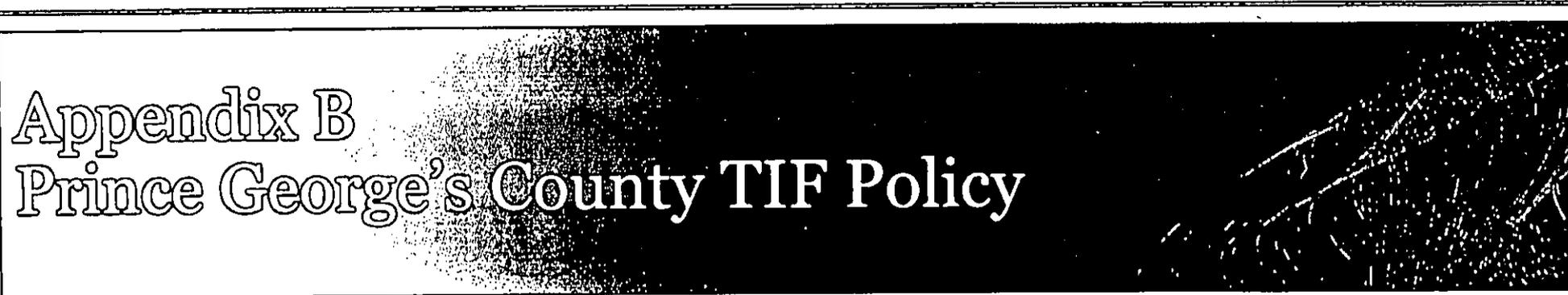
In total, the outstanding debt represented by tax increment financings (developer proposed and general county) should not be greater than 0.5% of the county's assessable base, nor represent more than 15% of the outstanding tax supported debt. The debt service on tax increment financing should represent no more than 0.75% of the total of general fund operating revenue and tax increment district revenue. Maturities of tax increment debt shall be limited to no more than 30 years and the average life of any individual issue shall be no longer than 60% of the longest maturity.

The County's established total debt ratios for general county obligations, tax increment obligations, and special taxing district obligations are as follows;

| | |
|--|---------|
| • Debt service to operating revenue, tax increment revenue and special taxing district revenue | 10% |
| • Debt to Estimated Full Value | 1.75% |
| • Debt per capita | \$1,200 |
| • Debt to personal income | 3.5% |
| • Tax increment district & special taxing district debt as a % of total debt | 15% |

Review

These policy guidelines shall be reviewed annually during the preparation of the annual budget.



Appendix B
Prince George's County TIF Policy

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND
2011 Legislative Session

Resolution No. CR-38-2011
Proposed by Council Member Toles
Introduced by Council Members Toles, Lehman, Franklin, Patterson,
Turner and Johnson
Date of Introduction May 17, 2011

RESOLUTION

1 A RESOLUTION concerning
2 Economic Development
3 For the purpose of revising the County's policy for the use of Tax Increment Financing and other
4 financial tools and incentives to fund economic and community development projects and
5 initiatives in Prince George's County.
6 WHEREAS, Tax Increment Financing ("TIF") is an economic and community
7 development tool that enables counties and municipalities to borrow money by issuing and
8 selling bonds for the purpose of financing the development of industrial, commercial, or
9 residential areas; and
10 WHEREAS, the Council adopted CR-89-2006 which established a policy for the County to
11 use specific criteria in determining the appropriateness and necessity of applying TIF and other
12 financial incentives to help fund economic and community development projects and initiatives
13 throughout the County; and
14 WHEREAS, the Council adopted CR-98-2010 to revise the TIF policy by adding criteria to
15 strengthen LMBE equity participation; provide for a MBE Plan to be approved by the County's
16 Compliance Manager; require best efforts to afford opportunities for public and private
17 partnerships and to offer creative and unique opportunities for economic and community
18 development projects and initiatives; require certification for all LMBEs; prior to bonds being
19 sold, require certifications from the developer, County Executive and Bond Counsel that all
20 provisions of CR-98-2010 have been complied with; and prior to the sale of the bonds, the
21 Council must review the TIF proposal and certification and approve the same by resolution; and
22 WHEREAS, the economic and community development projects and initiatives that utilize

1 TIF and other financial tools and incentives shall be consistent with the County's General and
2 Sector Plans and other economic and community development policies, strategies/ tools, and
3 guidelines, as well as generate and produce additional significant revenue that will benefit all
4 County citizens and residents; and

5 WHEREAS, the economic and community development policies, strategies and guidelines
6 shall take into consideration and maximize all public and private partnership opportunities,
7 employment opportunities, Minority Business Enterprise ("MBE") equity participation
8 opportunities, opportunities to expand the County's commercial base, and the uniqueness that a
9 new project or initiative can bring to the County; and

10 WHEREAS, the Council has determined that the policy criteria needs to be refined and to
11 add additional criteria.

12 NOW, THEREFORE, BE IT RESOLVED by the County Council of Prince George's
13 County, Maryland, that Prince George's County shall use the following revised criteria in
14 determining the appropriateness and necessity of applying TIF and other financial incentives
15 funded by County taxes to help fund economic and community development projects and
16 initiatives throughout the County:

17 In order to demonstrate appropriateness and necessity, proposed projects and initiatives
18 must:

- 19 1) Be consistent with the County's General Plan and Sector Plans, as well as other
20 economic and community development policies, strategies, and tools;
- 21 2) Generate additional significant revenue for the County;
- 22 3) Meet both a short-term and long-term "But-For Test", which demonstrates that the
23 proposed project or initiative is not feasible without the County's participation and assistance;
- 24 4) Be subject to a "Trigger Mechanism/Look Back Provision", which, on an ongoing
25 basis, examines a project's proposed and projected cash flows, profits, and other financial
26 information to determine whether and when repayment of the County's investment is or may be
27 necessary;
- 28 5) Where appropriate, be used to help fund the revitalization of an area or community in
29 the County;
- 30 6) Provide documentation, prior to any issuance of TIF bonds, showing not less than five
31 percent (5%) of the value of the TIF issued to the developer through either (i) LMBE equity

1 ownership in the entity receiving TIF funds or (ii) LMBE ownership or participation equal to
2 five percent (5%) of the TIF note issued and a Minority Business Enterprise (MBE) Plan must be
3 submitted to include a goal of thirty percent (30%) for local business enterprise (LBE), minority
4 business enterprise (MBE) and local minority business enterprise (LMBE); however, at no time
5 shall the LMBE participation be less than twenty percent (20%) of the available project dollars;

6 7) Not have an adverse impact on the County's credit/bond rating;

7 8) Expand and strengthen employment opportunities with a minimum employment goal
8 of thirty percent (30%) for County residents;

9 9) Expand the County's commercial base;

10 10) Use best efforts to afford opportunities for public and private partnerships;

11 11) Use best efforts to offer creative and unique opportunities for economic and
12 community development projects and initiatives;

13 12) Certification of all LMBEs shall be required. Any LMBE certified by the County, the
14 Maryland Department of Transportation (MDOT), the Washington Metropolitan Area Transit
15 Authority (WMATA), Maryland/District of Columbia Minority Supplier Development Council
16 (or any other organizations with similar certification authority), or any Federal agency shall be
17 deemed certified for purposes of receiving contract awards as a LMBE;

18 13) Any developer or other party receiving TIF assistance estimated at One Million Dollars
19 (\$1,000,000) or more from Prince George's County shall submit a certification to the
20 Compliance Manager, as a condition of receiving such assistance, verifying that all construction
21 contractors and subcontractors, of whatever tier, performing work on the assisted project, shall
22 meet the apprenticeship requirements specified below. Failure to comply with this requirement
23 shall constitute a material breach on the part of the TIF recipient and result in the assessment of
24 One Thousand Dollars (\$1,000.00) liquidated damages per day for each day of non-compliance.

25 (A) The developer or other party receiving TIF assistance participates in a Class A
26 Apprenticeship Program for each separate trade or classification in which it employs craft
27 employees and shall continue to participate in such program or programs for the duration of the
28 project. For purposes of this section, a Class A Apprenticeship Program is an apprenticeship
29 program that is currently registered with and approved by the U.S. Department of Labor or a
30 state apprenticeship agency and has graduated apprentices to journey person status for at least
31 three of the past five years.

1 (B) To demonstrate compliance with this section, the developer or other party receiving
2 TIF assistance shall provide to the Compliance Manager, with this certification, a list of all
3 trades or classifications of craft employees it will employ on the project and documentation
4 verifying it participates in a Class A Apprenticeship Program for each trade or classification
5 listed.

6 (C) A developer or other party receiving TIF assistance may submit a request to the
7 Compliance Manager for a partial waiver of the apprenticeship participation requirements of this
8 Section if a partial waiver is necessary to ensure compliance with the MBE, LBE and LMBE
9 goals of this Section.

10 (D) To obtain such a partial waiver, the developer or other party receiving TIF assistance
11 shall demonstrate that it is unable to meet the applicable apprenticeship participation
12 requirements unless a partial waiver is granted. However, a partial waiver issued under this
13 Subsection shall be approved by the County Council and shall not waive apprenticeship
14 participation requirements beyond the extent necessary to meet the MBE, LBE and LMBE goals
15 of this Section.

16 14) Prior to bonds being sold, the developer, County Executive and Bond Counsel shall
17 certify that the provisions of this resolution have been complied with and that the MBE Plan has
18 been approved by the Compliance Manager in conformance with the MBE Plan Guidelines
19 promulgated by the Compliance Manager; and

20 15) Prior to the sale of the bonds, the Council must review the TIF proposal and
21 certification and approve of the same by resolution.

22 BE IT FURTHER RESOLVED that the County Council periodically may refine these
23 criteria, as well as add additional criteria as experience and circumstances may require.
24

1 BE IT FURTHER RESOLVED that this resolution shall apply to TIF bonds issued
2 following the adoption of this resolution.

Adopted this 19th day of July, 2011.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY: _____
Ingrid M. Turner
Chair

ATTEST:

Redis C. Floyd
Clerk of the Council

KEY: -
Underscoring indicates language added to existing law.

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