

**EXECUTIVE ORDER**  
**COUNTY EXECUTIVE**  
**OF**  
**HOWARD COUNTY, MARYLAND**

Executive Order No.: 2017-07

Subject: An order determining various matters in connection with the sale and issuance of Howard County, Maryland Special Obligation Bonds (Downtown Columbia Project), Series 2017 A

**WHEREAS**, pursuant to 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") and (ii) Sections 21-501 through 21-523, inclusive, of the Local Government Article of the Annotated Code of Maryland, as amended (the "Special Taxing District Act" and together with the Tax Increment Financing Act, the "Acts"), the County Council of Howard County, Maryland (the "County Council") adopted Resolution No. 105-2016 on November 9, 2016 (the "Resolution"), which (i) designated an area within the County more particularly described therein to be known as the Downtown Columbia Development District (the "Development District") as a development district under the provisions of the Tax Increment Financing Act; (ii) designated an area within the County more particularly described therein to be known as the Crescent Special Taxing District (the "Special Taxing District," and together with the Development District, the "Districts") as a special taxing district under the provisions of the Special Taxing District Act; (iii) created a "special fund" within the meaning of the Tax Increment Financing Act for the Development District to be known as the Downtown Columbia Tax Increment Fund (the "Tax Increment Fund"); (iv) created a "special fund" within the meaning of the Special Taxing District Act for the Special Taxing District to be known as the Crescent Special Taxes Fund (the "Special Taxes Fund"); (v) pledged to the Tax Increment Fund the proceeds of the "tax increment" (as such term is used in the Tax Increment Financing Act); and (vi) pledged to the Special Taxes Fund the proceeds of the special taxes to be levied by the County on certain real and personal property within the Special Taxing District; and

**WHEREAS**, pursuant to the Acts, the County Council enacted Council Bill No. 56-2016 on November 9, 2016 (the "Ordinance," and together with the Resolution, the "Authorizing Legislation"); which authorized the issuance by the County from time to time in one or more series of its special obligation bonds in the maximum aggregate principal amount of \$90,000,000 to finance the costs of certain public improvements more particularly described therein (the "Public Improvements"); and

**WHEREAS**, the Ordinance also provided that prior to the sale, issuance and delivery of the Series 2017 A Bonds, the County Executive, by executive order, is authorized, empowered and directed to specify, prescribe, determine, provide for, or approve, for the purposes and within the limitation of the Acts and the Ordinance, all matters, details, forms, documents and

procedures pertaining to the sale, security, issuance, delivery and payment of or for the Series 2017 A Bonds, including certain matters specifically described in the Ordinance; and

**WHEREAS**, the County has determined to issue and sell the Series 2017 A Bonds as hereinafter described.

**NOW, THEREFORE**, IT IS THIS 18th DAY OF OCTOBER, 2017, ORDERED that:

1. Pursuant to and in accordance with the Acts and the Authorizing Legislation, the County shall issue, sell and deliver a series of bonds in the aggregate principal amount of \$48,225,000, designated "Howard County, Maryland Special Obligation Bonds (Downtown Columbia Project), Series 2017 A" (the "Series 2017 A Bonds").

2. The Series 2017 A Bonds shall be issued by the County upon the terms and conditions as set forth in the Indenture of Trust dated as of October 1, 2017 to be entered into between the County and Manufacturers and Traders Trust Company, as trustee (the "Trustee"), in substantially the form attached hereto as Exhibit A and made a part hereof (the "Indenture"), with such changes as I, as County Executive, may approve, as hereinafter provided.

3. The Bonds shall be dated as of their date of issuance. The Bonds shall:

(a) be issued in one series in the aggregate principal amount of \$48,225,000, in substantially the form attached to the Indenture as Exhibit A;

(b) be issued in authorized denominations as set forth in the Indenture;

(c) mature as provided in the Indenture;

(d) bear interest at the rates of interest, and from the date or dates set forth in the Indenture;

(e) be payable in such amounts, at such times, and at such place or places as provided in the Indenture;

(f) be subject to redemption prior to maturity at such price or prices and under such terms and conditions as are set forth in the Indenture;

(g) be secured as provided in the Indenture;

(h) be executed in the name of the County and on its behalf by the manual or facsimile signatures of the County Executive and the Director of Finance, the seal of the County to be impressed or otherwise reproduced thereon and attested by the manual or facsimile signature of the Chief Administrative Officer of the County; and

(i) bear substantially the same terms and conditions as the form of Series 2017 A Bond attached to the Indenture as Exhibit A, which form of Series 2017 A Bond is hereby incorporated herein by reference as part of this Executive Order and is hereby adopted and approved as the substantially final form, tenor, and substance of the Series 2017 A Bonds.

4. The sale of the Series 2017 A Bonds by private negotiated sale to Stifel, Nicolaus & Company, Incorporated, on behalf of itself and Piper Jaffray & Co. (collectively referred to herein as the "Underwriter"), pursuant to the Bond Purchase Agreement dated October 5, 2017, among the County, the Underwriter and The Howard Research And Development Corporation (the "Developer"), is hereby ratified and approved.

5. The preparation and distribution of (i) the Preliminary Limited Offering Memorandum dated September 14, 2017 (the "Preliminary Limited Offering Memorandum"); (ii) the First Supplement dated October 4, 2017 to the Preliminary Limited Offering Memorandum; (iii) the Limited Offering Memorandum dated October 5, 2017 (the "Limited Offering Memorandum"); and (iv) the Supplement dated October 16, 2017 to the Limited Offering Memorandum, each relating to the Series 2017 A Bonds, is hereby ratified and approved.

6. Manufacturers and Traders Trust Company is hereby appointed as trustee, registrar and paying agent for the Series 2017 A Bonds.

7. Pursuant to and in accordance with the Agreement for Administrative Services and the Indenture, Municap, Inc. is hereby appointed as the administrator (the "Administrator") for the Districts.

8. The proceeds of the Series 2017 A Bonds shall be applied as set forth in the Indenture. A portion of the proceeds of the Series 2017 A Bonds shall be used to finance the construction of certain public improvements more particularly described in the Authorizing Legislation and the Funding Agreement of even date herewith (the "Funding Agreement") by and between the County and the Developer, which shall be in substantially the form attached hereto as Exhibit B and made a part hereof, with such changes as I, as County Executive, may approve, as hereinafter provided.

9. The County shall undertake to provide annual financial information, operating data and material events notices relating to the Districts and the Series 2017 A Bonds as set forth in the County Continuing Disclosure Agreement dated as of October 1, 2017 (the "Continuing Disclosure Agreement") among the County, the Administrator and the Trustee, which shall be substantially in the form attached hereto as Exhibit C and made a part hereof, with such changes as I, as County Executive, may approve, as hereinafter provided.

10. The County shall enter into a Profit Sharing Agreement with the Developer (the "Profit Sharing Agreement"), which shall be substantially in the form attached hereto as Exhibit D and made a part hereof, with such changes as I, as County Executive, may approve, as hereinafter provided.

11. The County shall enter into an EMT/Quick Strike Facility Agreement with the Developer (the "Quick Strike Agreement"), which shall be substantially in the form attached hereto as Exhibit E and made a part hereof, with such changes as I, as County Executive, may approve, as hereinafter provided.

12. The County shall enter into a Corporate Guaranty with The Howard Hughes Corporation, as guarantor (the "Guaranty"), which shall be substantially in the form attached

hereto as Exhibit F and made a part hereof, with such changes as I, as County Executive, may approve, as hereinafter provided.

13. The Indenture, the Series 2017 A Bonds, the Funding Agreement, the Continuing Disclosure Agreement, the Profit Sharing Agreement, the Quick Strike Agreement and the Guaranty (collectively, the "County Documents"), shall be in substantially the respective forms attached hereto and made a part hereof, subject to such changes or modifications in such forms as I or my designees may deem to be required or appropriate to accomplish the purpose of the transactions authorized by the Authorizing Legislation and by this Executive Order; and the terms, provisions, form, content and substance of each of such documents in the forms so attached are hereby adopted and approved. My execution of the Series 2017 A Bonds and such other documents in the manner herein provided, either by manual or facsimile signature, as County Executive and/or the execution of such documents by other officials of the County shall be conclusive evidence of my approval of the final terms, provisions, form, content and substance of the bonds and all other documents executed and delivered in connection therewith, which shall thereupon become binding upon the County.

14. Tax parcel 14-15019581, which is currently within the boundaries of the Development District as shown on the map attached to the Resolution as Exhibit B, is added to the list of tax parcel identification numbers for the Development District properties, attached to the Resolution as Exhibit A.

15. As a result of subdivisions referred to the Amended and Restated Application to Request and Consent to the Creation of a Special Taxing District, the Levy of Special Taxes on the Property in the Special Taxing District and the Issuance of Special Obligation Bonds, and for purposes of clarifying the existing boundaries of the Special Taxing District, the entirety of tax parcel number 15-599590 is included within the boundary of the Special Taxing District, and tax parcel numbers 15-045884 and 15-599589 are excluded from the boundaries and list of properties within the Special Taxing District.

16. The execution and delivery by me, as County Executive of the County, and/or the execution by other officials of the County of certificates and other documents of the County to be delivered on behalf of the County in connection with the delivery of the Series 2017 A Bonds containing such terms and provisions, and in the form as may be determined and the execution of such certificates and other documents, shall be conclusive evidence of the approval thereof by me as County Executive on behalf of the County.

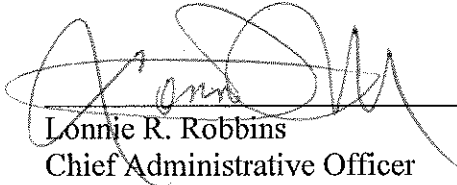
17. As County Executive, I hereby designate McGuireWoods LLP, bond counsel, as my authorized agent to fill in any blanks in the County Documents and all of the certifications and documents that may require completion after the signing thereof by me or other officials of the County, or after the date of this Executive Order, and to make and/or approve any and all other necessary changes, additions or modifications to County Documents and such other documents, so long as the substance of such documents is not materially altered.

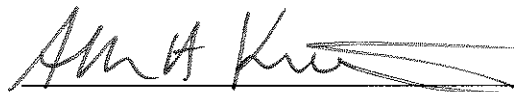
[SIGNATURE APPEARS ON NEXT PAGE]

IN WITNESS WHEREOF, I, Allan H. Kittleman, County Executive of Howard County, Maryland, have hereunto set my hand and caused the official seal of Howard County, Maryland to be affixed all as of the date set forth above.

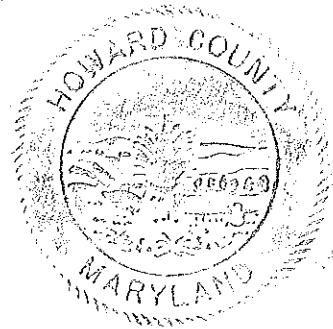
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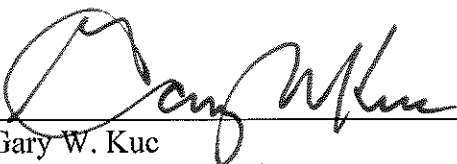
ATTEST:

  
\_\_\_\_\_  
Lonnie R. Robbins  
Chief Administrative Officer


  
\_\_\_\_\_  
Allan H. Kittleman  
County Executive

APPROVED AS TO FORM AND  
LEGAL SUFFICIENCY THIS  
16<sup>th</sup> DAY OF OCTOBER, 2017:



  
\_\_\_\_\_  
Gary W. Kuc  
County Solicitor

Reviewing Attorney:

  
\_\_\_\_\_  
Kristen Perry  
Assistant County Solicitor

*[Signature Page to Executive Order]*

EXHIBIT A

FORM OF INDENTURE OF TRUST

[SEE TAB 33 OF FINAL CLOSING TRANSCRIPT]

EXHIBIT B

FORM OF FUNDING AGREEMENT

[SEE TAB 35 OF FINAL CLOSING TRANSCRIPT]

EXHIBIT C

FORM OF COUNTY CONTINUING DISCLOSURE AGREEMENT

[SEE TAB 41 OF FINAL CLOSING TRANSCRIPT]

EXHIBIT D

FORM OF PROFIT SHARING AGREEMENT

[SEE TAB 11 OF FINAL CLOSING TRANSCRIPT]

EXHIBIT F

FORM OF QUICK STRIKE AGREEMENT

[SEE TAB 14 OF FINAL CLOSING TRANSCRIPT]

EXHIBIT G

FORM OF GUARANTY

[SEE TAB 16 OF FINAL CLOSING TRANSCRIPT]