Expedited Bill No. 31-26
Concerning: Bond Authorization - VIVA White Oak Development District
Revised: July 23, 2026 Draft No. 2
Introduced: June 16, 2026
Enacted: July 28, 2026
Executive: ______
Effective: ______
Sunset Date: ______
Ch. ____, Laws of Mont. Co. ______

COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND

Lead Sponsor: Council President at the Request of the County Executive

AN EXPEDITED ACT to:

(1) authorize the County, pursuant to and in accordance with Chapter 14 of the Montgomery County Code, Title 12, Subtitle 2 of the Economic Development Article of the Maryland Code, and Section 10-203 of the Local Government Article of the Maryland Code to issue and sell special obligation bonds at one time or from time to time, in one or more series, and not upon the full faith and credit of Montgomery County, in an amount sufficient to fund all or a portion of the costs of certain projects and improvements in the VIVA White Oak Development District;
(2) provide for the sale of such bonds at a private (negotiated) or competitive sale; and
(3) generally provide for and determine various matters in connection with the issuance, sale, delivery and payment of such special obligation bonds.

By adding to the Laws of Montgomery County 2026

Boldface	*Heading or defined term.*
Underlining	*Added to existing law by original bill.*
[Single boldface brackets**]**	*Deleted from existing law by original bill.*
Double underlining	*Added by amendment.*
[[Double boldface brackets**]]**	*Deleted from existing law or the bill by amendment.*
* * *	*Existing law unaffected by bill.*

The County Council for Montgomery County, Maryland approves the following Act:

Sec. 1. The following is added to the Laws of Montgomery County:

(a) Findings and purpose:

(1) Chapter 14 of the Montgomery County Code (the "Development District Law") authorizes the County to create a development district and levy special assessments, special taxes, fees, or charges in any such development.

(2) Title 12, Subtitle 2 of the Economic Development Article of the Maryland Code, as amended (the "Tax Increment Financing Act"), authorizes the County to designate a contiguous area within its jurisdiction as a "development district" under State law and create a special fund for the development district. A portion of the taxes on the "tax increment" that would normally be paid into the general fund of the County may be paid into the special fund.

(3) Pursuant to the authority of the Tax Increment Financing Act and the Development District Law, the County adopted Resolution No. 20-1039 (the "Resolution") on February 24, 2026. Through the Resolution, the County:

(A) created the VIVA White Oak Development District (the "TIF District");

(B) created the VIVA White Oak Development District TIF Special Fund (the "TIF Special Fund");

(C) provided that, beginning with the Tax Year following the effective date of the Resolution and until the bonds and any refunding bonds secured by the TIF Special Fund have been fully paid and the indenture has been discharged, property tax on real property within the TIF District shall be divided as provided in the Tax Increment Financing Act (including making certain deposits into the TIF Special Fund); and

(D) made other findings and determinations with respect to the TIF District.

Additionally, the County, by way of the Resolution:

(A) created the VIVA White Oak Development District Special Taxing District (the "Special Taxing District"), which is coterminous with the TIF District;

(B) created the VIVA White Oak Development District Special Fund (the "Special Tax Fund");

(C) provided that any special assessments, special taxes, fees, or charges levied under the Development District Law must be paid into the Special Tax Fund; and

(D) made other findings and determinations with respect to the Special Taxing District.

(4) The Development District Law also authorizes the County to issue bonds or other obligations payable from such special assessments, special taxes, fees, or charges levied in any development district. The Development District Law further provides that all proceeds received from any bonds issued pursuant to such law must be applied solely towards:

(A) the costs of the infrastructure improvements listed in the Resolution;

(B) the costs of issuing the bonds; and

(C) the payment of principal and interest on loans, money advances, or indebtedness incurred by the County for any purpose stated in the law.

(5) The Tax Increment Financing Act also authorizes the County to issue bonds to finance the development of an industrial, commercial, or residential area which are payable from the special fund established pursuant to the Tax Increment Financing Act. The Tax Increment Financing Act further provides that the County must adopt an ordinance to authorize the issuance of such bonds that:

(A) describes the proposed undertaking;

(B) states that the County has complied with certain provisions of the Tax Increment Financing Act, the maximum principal amount of the bonds and the maximum rate of interest on the bonds; and

(C) provides for certain terms of the bonds or delegates to the chief executive of the County the authority to specify those items by executive order.

(6) The County desires to authorize the issuance of special obligation bonds to provide funds for the projects described in Exhibit C to the Resolution (the "Project") in the TIF District and Special Taxing District.

(b) The County finds and determines that the issuance of bonds and the pledge of Tax Increment revenues and Special Tax revenues to provide for the payment of principal and interest on such bonds for the purpose of providing funds to finance a portion of the Project accomplishes the purposes of the Tax Increment Financing Act and the Development District Law, serves public purposes, creates a public benefit to the properties assessed in the Special Taxing District, and generally promotes the health, welfare, and safety of the residents of the County.

(c) The issuance and sale of bonds, in one or more series, in an aggregate principal amount not to exceed $420,000,000 (the "Bonds") is hereby authorized for the purpose of financing or refinancing all or a portion of the costs related to the development of the TIF District and the Special Taxing District, as created by the adoption of the Resolution, including the costs of the Project (as defined herein), the funding of a debt service reserve fund or other reserves, the funding of capitalized interest on the Bonds, and any other cost authorized by the Tax Increment Financing Act or the Development District Law. Subject to and in accordance with the provisions of this Act, the County Executive may determine to issue the Bonds in one or more series from time to time in an aggregate principal amount not to exceed the amount authorized by this Law. Before issuance and sale of a bond series that would bring the cumulative principal amount of debt issued under this authorization above each of the following amounts, the County Executive must seek and obtain from the County Council approval for such issuance by resolution: $220,000,000 and $320,000,000.

(d) Pursuant to the provisions of an executive order and bond indenture, each issue or series of the Bonds must be identified by the year of issue or by some other or additional appropriate designation. The Bonds will be payable from capitalized interest (if any) and then, first, from the amounts levied and deposited into the TIF Special Fund, as created by the Resolution (which amounts in such TIF Special Fund are hereby pledged to the payment of principal of and interest on the Bonds) and, second, to the extent the TIF Special Fund does not contain money in an amount sufficient for payment of debt service on such Bonds and administrative expenses, from the Special Tax (as defined herein) to be levied and deposited into the Special Tax Fund (which amounts in such Special Tax Fund are hereby pledged to the payment of principal of and interest on the Bonds). In the event of any default on the Bonds, the acceleration of assessments or taxes because of such default is prohibited.

(e) The Bonds must be executed in the name of the County and on its behalf by the County Executive, by manual or facsimile signature, and the corporate seal of the County or a facsimile thereof shall be impressed or otherwise reproduced thereon and attested by the manual or facsimile signature of the Director of Finance and authenticated by the manual or facsimile signature of the Bond Registrar or Trustee. The indenture as defined herein, and where applicable, all other documents as the County Executive deems necessary to effectuate the issuance, sale, and delivery of the Bonds of any series, shall be executed in the name of the County and on its behalf by the County Executive by manual signature, and the corporate seal of the County or a facsimile thereof shall be impressed or otherwise reproduced thereon and attested by the Director of Finance or other official authorized by law by manual signature. If any officer whose signature or countersignature or a facsimile of whose signature or countersignature appears on the Bonds of any series or any of the aforesaid documents ceases to be such officer before the delivery of the Bonds of such series or any of the other aforesaid documents, such signature or countersignature or such facsimile shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. The County Executive, the Chief Administrative Officer, the County Attorney, and the Director of Finance are hereby authorized and empowered to do all such acts and things and execute such documents and certificates as the County Executive may determine to be necessary or desirable to carry out and comply with the provisions of this Law, subject to the limitations set forth in Tax Increment Financing Act, the Development District Law, and this Law.

(f) The Bonds shall be sold at private (negotiated) sale, or publicly by soliciting competitive bids, whichever the County Executive, or Chief Administrative Officer of the County, if authorized by the County Executive, determines to be in the best interests of the County. Should the County Executive or Chief Administrative Officer determine to solicit bids at a public sale, the Director of Finance is hereby authorized and directed to publish summaries of the Notices of Sale for the Bonds at least twice in one or more daily or weekly newspapers having a general circulation in the County, the first such publication to be at least 10 days prior to the date of sale. The summary of the Notices of Sale shall be published in substantially the forms as approved by the Director of Finance, the publication of such notice to constitute conclusive evidence of the approval of the Director of Finance.

(g) Subject to the provisions of this Law, the County Executive is authorized to specify those items permitted by Section 12-204(c) of the Tax Increment Financing Act and Section 14-13(b) of the Development District Law in an executive order. The executive order:

(1) must prescribe the form, tenor, terms, and conditions of and security for the Bonds;

(2) must prescribe the principal amounts, rate, or rates of interest, which must not exceed ten percent per annum, premiums, and discounts, if any, denominations, date, maturity, or maturities (within the limits prescribed in the Development District Act, the Tax Increment Act, and this Law), and the time and place or places

of payment of the Bonds, and the terms and conditions and details under which the Bonds may be called for redemption prior to their stated maturities;

(3) may confirm the appointment of the County's bond counsel and financial advisors and the appointment of a trustee, a bond registrar and a paying agent, consultants, or other agents for the Bonds;

(4) must approve the form and contents of, and execute and deliver (where applicable), an indenture of trust between the County and a corporate trustee (the "Indenture"), and such other documents to which the County is a party that may be necessary or desirable to effectuate the issuance, sale, and delivery of the Bonds;

(5) may confirm the selection of an investment bank or banks or other financial institution to purchase and underwrite the sale of the Bonds;

(6) must prepare and distribute both a preliminary and a final limited offering memorandum or other offering document in connection with the sale of the Bonds, if such preliminary limited offering memorandum and final limited offering memorandum or other offering document are determined to be necessary or desirable for the sale of the Bonds;

(7) must execute and deliver a contract or contracts for the purchase and sale of the Bonds (or any portion thereof) in form and content satisfactory to the County Executive;

(8) must determine the time of execution, issuance, sale, and delivery of the Bonds and prescribe any and all other details of the Bonds;

(9) must provide for the direct or indirect payment of all costs, fees, and expenses incurred in connection with the issuance, sale, and

delivery of the Bonds, including, without limitation, costs of printing, if any, and issuing the Bonds, legal expenses, including the fees and expenses of bond counsel, and compensation to any other entity performing services in connection therewith to the extent approved by the County as a cost of issuance of the Bonds; and

(10) must do any and all things necessary, proper, or expedient in connection with the issuance, sale, and delivery of the Bonds necessary under the Development District Law Act, the Tax Increment Financing Act, and this bill.

This delegation of authority to the County Executive is subject to his discretion and to the extent he does not exercise such discretion pursuant to the provisions of this Law, neither such officer nor the County shall be subject to any liability.

(h) The provisions hereinafter set forth in Paragraphs (1), (2), and (3) as follows herein shall be applicable with respect to the Bonds issued and sold hereunder on the basis that the interest on the Bonds will be excludable from gross income for federal income tax purposes.

(1) The County Executive, Chief Administrative Officer, or Director of Finance shall be the officers of the County responsible for the issuance of any Bonds hereunder within the meaning of the Arbitrage Regulations, as defined herein. The Director of Finance shall also be the officer of the County responsible for the execution and delivery (on the date of issuance of the Bonds) of a certificate of the County (Section 148 Certificate) that complies with the requirements of Section 148 of the Internal Revenue Code of 1986, as amended (Section 148), and the applicable regulations

thereunder (Arbitrage Regulations), and such official is hereby directed to execute the Section 148 Certificate and to deliver the same to bond counsel on the date of the issuance of the Bonds.

(2) The Director of Finance shall set forth in the Section 148 Certificate the County's reasonable expectations as to relevant facts, estimates, and circumstances relating to the use of the proceeds of the Bonds, or of any money, securities, or other obligations to the credit of any account of the County that may be deemed to be proceeds of the Bonds pursuant to Section 148 or the Arbitrage Regulations (Bond Proceeds). The covenants made by the Director of Finance that the facts, estimates, and circumstances set forth in the Section 148 Certificate will be based on the County's reasonable expectations on the date of issuance of the Bonds and will be, to the best of the Director of Finance's knowledge, true, and correct as of that date.

(3) The County Executive, on behalf of the County, may make such covenants or agreements in connection with the issuance of Bonds issued hereunder as he shall deem advisable in order to assure the registered owners of such Bonds that interest thereon shall be and remain excludable from gross income for federal income tax purposes, and such covenants or agreements shall be binding on the County so long as the observance by the County of any such covenants or agreements is necessary in connection with the maintenance of the exclusion of the interest on such Bonds from gross income for federal income tax purposes. The foregoing covenants and agreements may include such covenants or agreements on behalf of the County regarding compliance with the

provisions of the Internal Revenue Code of 1986, as amended, as the County Executive shall deem advisable in order to assure the registered owners of such Bonds that the interest thereon shall be and remain excludable from gross income for federal income tax purposes, including (without limitation) covenants or agreements relating to the investment of the Bond Proceeds, the payment of rebates (or payments in lieu of rebate) to the United States, limitations on the times within which, and the purpose for which, Bond Proceeds may be expended, or the use of specified procedures for accounting for and segregating such proceeds.

(4) Notwithstanding anything in this Law to the contrary, Bonds issued and sold hereunder may be issued and sold on the basis that the interest on such Bonds will not be excludable from gross income for federal income tax purposes.

(5) For purposes of establishing compliance with Sections 148 and 150 of the Internal Revenue Code regarding the expenditure of proceeds of the Bonds, the County intends that Bonds may be allocated to the reimbursement of costs of the Project expended prior to the issuance of the Bonds.

(i) The Bonds are special obligations of the County and do not constitute general obligations of the County or a pledge of the County’s full faith and credit.

(j) Before the Bonds are issued, the Director of Finance must record or cause to be recorded among the Land Records of the County a declaration that:

(1) encumbers all real property in the Special Taxing District;

(2) designates the real property in the Special Taxing District as being subject to any special assessments, special taxes, fees, or charges

levied under Section 14-10 of the Development District Law, in accordance with the Resolution; and

(3) terminates when the Director of Finance records a release stating that all the Bonds are paid.

In the following table, the County further specifies certain matters in connection with Project pertaining to the estimated completion date(s) of the improvements comprising the Project, the cost of such improvements, and the share of the cost which the County or another governmental entity may pay, if any. If the County Executive determines that it is in the best interests of the County, the County Executive may modify the matters specified in the table below, or add additional improvements to the Project, as appropriate.

VIVA White Oak
Montgomery County, Maryland

Table 1

Public Infrastructure Costs	Completion Year	Credits $40,000,000 RPA[a]	Credits $11,871,166 WSSC	Credits $6,000,000 State	Bonds[b] Tax-Exempt	Bonds[b] Taxable	Developer[c]	Total Sources
Hard costs								
Site prep:								
Mass grading	2027	$3,049,245	$0	$0	$15,351,380	$0	$25,049,375	$43,450,000
Contaminated soils	2028	$0	$0	$0	$1,186,800	$0	$7,928,649	$9,115,449
Subtotal site prep		$3,049,245	$0	$0	$16,538,180	$0	$32,978,024	$52,565,449
Utilities:								
Water & sewer	2028	$0	$0	$0	$13,017,108	$0	$8,330,000	$21,347,108
Street lights & electric (commercial area)	2028	$0	$0	$0	$0	$0	$1,500,000	$1,500,000
Paint Branch basin trunk sewer line	2029	$0	$11,871,166	$0	$0	$0	$0	$11,871,166
Industrial Parkway water main	2028	$0	$0	$0	$2,442,000	$0	$0	$2,442,000
Subtotal utilities		$0	$11,871,166	$0	$15,459,108	$0	$9,830,000	$37,160,274
Parks/community benefits:								
Public park	2029	$0	$0	$0	$8,450,000	$0	$0	$8,450,000
Landscaping & irrigation	2032	$0	$0	$0	$7,928,000	$0	$420,000	$8,348,000
Signage	2028	$0	$0	$0	$235,000	$0	$975,000	$1,210,000
Subtotal parks/community benefits		$0	$0	$0	$16,613,000	$0	$1,395,000	$18,008,000
Parking:								
Parking garage	2041	$0	$0	$0	$101,447,500	$0	$0	$101,447,500
Subtotal parking		$0	$0	$0	$101,447,500	$0	$0	$101,447,500
Site work:								
Site work - commercial lots	2028	$0	$0	$0	$0	$0	$15,752,500	$15,752,500
Site work - townhome and residential interior roads	-	$0	$0	$0	$0	$0	$0	$0
Base building - townhome clubhouse	-	$0	$0	$0	$0	$0	$0	$0
Subtotal site work		$0	$0	$0	$0	$0	$15,752,500	$15,752,500
Roadways:								
FDA Boulevard	2028	$14,403,175	$0	$0	$0	$0	$0	$14,403,175
Adventist Health connector	2028	$2,451,500	$0	$0	$0	$0	$150,000	$2,601,500
Viva White Oak Way	2028	$20,096,080	$0	$0	$0	$0	$950,000	$21,046,080
Life science interior roads	2032	$0	$0	$0	$3,629,100	$0	$0	$3,629,100
Mixed-use interior roads	2032	$0	$0	$0	$10,495,840	$0	$0	$10,495,840
Offsite roads - Cherry Hill Frontage	2028	$0	$0	$0	$3,526,190	$0	$0	$3,526,190
Offsite roads - LATIP	2029	$0	$0	$0	$21,944,686	$0	$0	$21,944,686
Subtotal roadways		$36,950,755	$0	$0	$39,595,816	$0	$1,100,000	$77,646,571
Other Costs:								
Escalation	2041	$0	$0	$0	$33,171,419	$0	$1,317,987	$34,489,406
MBE/Prevailing wage	2041	$0	$0	$0	$35,728,581	$0	$10,806,818	$46,535,399
GC Overhead/Fee	2041	$0	$0	$0	$17,429,511	$0	$5,801,310	$23,230,821
Subtotal other costs		$0	$0	$0	$86,329,511	$0	$17,926,115	$104,255,626
Subtotal hard costs		$40,000,000	$11,871,166	$0	$275,983,116	$0	$78,981,639	$406,835,921

MuniCap, Inc.

*Provided by Developer.

[a]Stands for Road Participation Agreement. $40,000,000 is provided under the Capital Improvement Plan and funded by general obligation bonds.

[b]To be reviewed and confirmed by County bond counsel.

[c]These amounts reflect the projected Developer's funding for infrastructure costs that are not eligible for tax-exempt TIF financing. Additional Developer investments in the VIVA White Oak project are not included.

VIVA White Oak
Montgomery County, Maryland

Table 1, continued

Public Infrastructure Costs	Completion Year	Credits $40,000,000 RPA[a]	$11,871,166 WSSC	$6,000,000 State	Bonds[b] Tax-Exempt	Taxable	Developer[c]	Total Sources
Soft costs								
Architecture & engineering	2031	$0	$0	$6,000,000	$1,849,342	$0	$10,541,290	$18,390,631
Other consultants	2026	$0	$0	$0	$0	$0	$367,224	$367,224
Owner's representative fee	2041	$0	$0	$0	$5,996,433	$0	$2,603,623	$8,600,055
Non-financial legal	2028	$0	$0	$0	$0	$0	$1,960,110	$1,960,110
Marketing	2027	$0	$0	$0	$0	$0	$439,500	$439,500
Insurance	2040	$0	$0	$0	$877,468	$0	$900,019	$1,777,487
Permits & fees	2032	$0	$0	$0	$9,381,514	$0	$3,114,105	$12,495,619
Bonds	2031	$0	$0	$0	$1,777,746	$0	$1,057,028	$2,834,774
Utility fees	2028	$0	$0	$0	$111,000	$0	$2,959,000	$3,070,000
Testing / inspection	2032	$0	$0	$0	$1,657,750	$0	$724,750	$2,382,500
Construction carry	2026	$0	$0	$0	$0	$0	$10,191,361	$10,191,361
Subtotal soft costs		$0	$0	$6,000,000	$21,651,252	$0	$34,858,010	$62,509,262
Developer fees								
Development Fee	2041	$0	$0	$0	$10,741,264	$0	$3,389,787	$14,131,051
Subtotal developer fees		$0	$0	$0	$10,741,264	$0	$3,389,787	$14,131,051
Contingency								
Hard cost contingency (10%)	2041	$0	$0	$0	$28,482,163	$0	$7,796,399	$36,278,562
Soft cost contingency (7%)	2040	$0	$0	$0	$2,161,013	$0	$1,587,971	$3,748,985
Subtotal contingency		$0	$0	$0	$30,643,176	$0	$9,384,370	$40,027,547
TOTAL COSTS		**$40,000,000**	**$11,871,166**	**$6,000,000**	**$339,018,807**	**$0**	**$126,613,806**	**$523,503,780**

MuniCap, Inc.

*Provided by Developer.
[a]Stands for Road Participation Agreement. $40,000,000 is provided under the Capital Improvement Plan and funded by general obligation bonds.
[b]To be reviewed and confirmed by County bond counsel.
[c]These amounts reflect the projected Developer's funding for infrastructure costs that are not eligible for tax-exempt TIF financing. Additional Developer investments in the VIVA White Oak project are not included.

(k) In accordance with the Development District Law, the County may create a contingency account for unexpected cost overruns related to the Project. Such contingency account may be an account established under a project fund established under an indenture of trust or held as determined by the Director of Finance and shall be funded in an amount determined by the Director of Finance with money provided by the entity or entities constructing the Project.

(l) As may be necessary to satisfy debt service and to pay administrative expenses on the Bonds, the County will impose a special tax (the "Special Tax") and will levy pursuant to the Development District Law a rate sufficient in each year when any bonds are outstanding to provide adequate revenues to (1) provide for the payment of the principal of and interest on the Bonds, and the redemption premium, if any on the Bonds, (2) replenish any debt service reserve fund, (3) pay the costs of the Project or reimburse the County for the cost of the Project paid from other County Funds, (4) pay directly the costs of the Project built or funded other than by the County, and (5) pay the administrative expenses of the Special Taxing District. The County will enforce, as appropriate, the collection of all Special Taxes in the same manner as other County property taxes are levied and collected and as provided in Section 52-25 et seq. of the County Code and Section 14-808 et seq. of the Tax-Property Article of the Annotated Code of Maryland, or other applicable law. The projected Special Taxes together with money in the TIF Special Fund, will be sufficient to retire the Bonds, taking into account the value of land in the Special Taxing District.

(1) Any property that was fully developed before the creation of the Special Taxing District is exempt from the Special Tax. The owner

of an exempt property that is later developed more intensively and benefits from any development capacity attributable to the Project financed by the district must pay any tax, fee, or charge that it would have otherwise paid in accordance with the Rate Method Apportionment ("RMA"), as set forth in the Resolution.

(2) In accordance with the RMA, the special tax must be levied and collected in the same manner, for the same period or periods, and with the same date or dates of finality as otherwise provided by law and end when (i) all bonds issued for the benefit of the Special Taxing District have been paid in full or are otherwise no longer outstanding and (ii) the County has been fully paid for each infrastructure improvement built or funded by the County, if any. Moreover, the maximum Special Tax applicable to each individual property in the Special Taxing District must be as set forth in the RMA, and such amount may not be increased or the term thereof extended with respect to any individual property because of any delinquency or default by any other taxpayer.

Sec. 2. Expedited Effective Date.

The Council declares that this legislation is necessary for the immediate protection of the public interest. This Act takes effect on the date on which it becomes law.

Approved:

Natali Fani

July 28, 2026

Natali Fani-González, President, County Council — Date

Approved:

Marc Elrich, County Executive — Date

This is a correct copy of Council action.

Sara R. Tenenbaum, Clerk of the Council — Date