

INDUSTRIAL DEVELOPMENT AUTHORITY

MISSION AND SERVICES

The Industrial Development Authority of Prince George's County (IDA) is a public building authority through which the County can provide physical facilities on a timely and cost effective basis. The County enters into long-term leases with the IDA. Joint lease agreements between IDA, the State or other governmental entities are formed in order to meet its continuing space needs.

The Authority was established pursuant to the Maryland Economic Development Revenue Bond Act and operates on a non-profit basis. It issues tax exempt bonds to finance public building projects approved by the County Executive and the County Council. These borrowings are secured by leases with participating public entities. The Authority now serves as a concurrent financing structure with the Prince George's County Revenue Authority. All the members of the IDA Board are members of the Revenue Authority Board.

Through a cooperative agreement with the State, the IDA completed development of the expanded Prince George's Justice Center Complex. This facility, which opened in 1992, provides space for the Circuit Court and other criminal justice programs in Upper Marlboro. The Authority also provided financing for the State's District Court facility in Hyattsville, which became operational in 1996. The IDA issued \$22.1 million of subordinate lease revenue bonds in August 2003 to finance the construction and equipping of an expansion of the original Upper Marlboro Justice Center. The four-story expansion is approximately 90,000 square feet and is inter-connected to the Marbury Wing. The expansion space is leased to the County for use as a courthouse and multi-service center. In December 2009, the IDA issued \$23.9 million of taxable lease revenue bonds for the Upper Marlboro Courthouse Duvall Wing Restoration project. The bonds financed the costs of the reconstruction, rehabilitation and repair of the building. The Duvall Wing consists of a five-story building that comprises a total of 151,000 square feet.

The County has entered into a lease with the State to recover costs associated with maintenance and operations of the space occupied by State offices. This reimbursement totals \$2.9 million annually and is shown as a recovery in the section entitled Expenditure Recoveries – Leases/Utilities, included in the Non-Departmental section of this document.

During FY 2018, the Prince George's County Revenue Authority plans to assume responsibility for all IDA assets and liabilities, including the refinancing of all outstanding IDA debt.

All revenues and expenses associated with the Justice Center and Duvall Wing Property including refunding bond debt service payments will be paid by the Revenue Authority. Receipts from the aforementioned State lease payments will flow to the Revenue Authority.

As authorized by CR-69-2017, the IDA will be terminated upon the extinguishing of all IDA bond obligations.