

(a) After an ordinance or resolution has been adopted by the legislative body of the municipality or county, specifying the proposed undertaking, the amount of money to be borrowed and the maximum rate of interest to be paid, a municipality or county, notwithstanding the provisions of any charter and without in any event pledging its full faith and credit in support of a loan, is fully enabled and empowered to borrow money and when the county is the mortgagor execute a mortgage as security for the purpose of defraying the cost of acquiring or constructing any industrial project approved by the Authority. The ordinance or resolution shall be administrative in nature and not subject to any referendum. The ordinance or resolution shall further provide that the funds borrowed by the county or municipality shall be utilized in connection with a bona fide industrial project pursuant to the provisions of this subtitle, as evidenced by a letter of intent or similar agreement between the prospective industrial project applicant and the municipality or county borrowing the money. Any industrial project acquired by a municipality or county under this subheading is not a capital project of the municipality or county, notwithstanding the provisions of any charter. A municipality or county may participate fully in the provisions of this subheading, for its general purposes. Nothing in this section shall be construed to authorize any municipality or county to acquire any industrial project by eminent domain. If a municipality or county has previously acquired all or any part of an industrial project and incurred costs relating thereto pursuant to legal authority conferred upon it other than by this subheading, then that public body may fully participate in the provisions of this subheading as regards that project. In that event, the provisions of this subheading relating to acquisition by the public body shall be deemed to have been complied with, and the public body may be reimbursed for its previously incurred costs of the project from the proceeds of the mortgage funds.

(b) If a county or municipality participates as borrower in accordance with the provisions of subsection (a), the interest payable on the principal of the loan shall be and remain exempt from income taxation by the State of Maryland and by the several counties and municipalities of this State.

(c) When the municipality or county is mortgagor, such a municipality or county may agree with any lessee of any facility acquired hereunder, that at the time the principal and interest on the mortgage have been paid in full, the lessee may purchase or otherwise acquire the facility procured by the county or municipality with the proceeds of the mortgage funds. The consideration for the conveyance or an acquisition may be nominal, and any such contractual obligation by such municipality or county shall not be subject to any limitation otherwise imposed by law requiring advertising of such property for any specific period of time or sale thereof to the highest bidder.