

**CITY OF BALTIMORE**  
**RESOLUTION \_\_\_\_\_**  
**Council Bill 10-0588**

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Introduced by: The Council President  
At the request of: The Administration (The Baltimore City Board of School Commissioners)  
Introduced and read first time: August 9, 2010  
Assigned to: Taxation, Finance and Economic Development Committee

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Committee Report: Favorable  
Council action: Adopted  
Read second time: November 8, 2010

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**A RESOLUTION OF THE MAYOR AND CITY COUNCIL CONCERNING**

**Baltimore City Board of School Commissioners  
School System Revenue Bonds**

FOR the purpose of approving the issuance by the Baltimore City Board of School Commissioners of the Baltimore City Public School System of its revenue bonds, designated “School System Revenue Bonds (Qualified School Construction Bonds)” and “School System Revenue Bonds (Refunding Bonds),” subject to certain conditions; requiring certain statements, disclosures and reports; and providing for a special effective date.

**Recitals**

Section 4-306.1 et seq. of the Education Article of the Annotated Code of Maryland, as amended (the “State Law”) authorizes the Baltimore City Board of School Commissioners of the Baltimore City Public School System (the “Board”), subject to certain conditions, to issue its bonds for certain public school purposes.

These bonds would not pledge the full faith and credit of or otherwise create or constitute a debt of the Mayor and City Council of Baltimore (the “City”), the State of Maryland (the “State”), or any political subdivision of the State.

One of the conditions imposed on the Board’s issuance of any bonds is that the City first adopt a resolution approving that issuance.

The Board proposes to issue its revenue bonds, designated “School System Revenue Bonds (Qualified School Construction Bonds)” (the “New Money Bonds”) in an amount not to exceed \$60,826,000 and “School System Revenue Bonds (Refunding Bonds)” (the “Refunding Bonds” and together with the New Money Bonds, the “Bonds”), in one or more issues or series on or before, with respect to the New Money Bonds, December 31, 2011, or such later date as such bonds may be issued in accordance with any extension of the legislation permitting the issuance of such qualified school construction bonds, for the purposes of financing and refinancing the acquisition, construction, reconstruction, equipping or renovation of public school facilities and refunding certain outstanding school system revenue bonds.

EXPLANATION: Underlining indicates matter added by amendment.  
~~Strike out~~ indicates matter stricken by amendment.

**Council Bill 10-0588**

1 The City finds that the issuance of bonds for these purposes is necessary and  
2 desirable for improving public school facilities and educational services in the  
3 City.

4 **SECTION 1. BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE,** That the  
5 Mayor and City Council of Baltimore (the “City”) approves the issuance by the Baltimore City  
6 Board of School Commissioners (the “Board”) of its School System Revenue Bonds (Qualified  
7 School Construction Bonds) (the “New Money Bonds”) in an amount not to exceed \$60,826,000  
8 and its School System Revenue Bonds (Refunding Bonds) (the “Refunding Bonds” and, together  
9 with the New Money Bonds, the “Bonds”) in an amount not to exceed the statutory limitation  
10 under State Law, or otherwise appropriately designated, in one or more issues or series on or  
11 before December 31, 2011, or such later date as such bonds may be issued in accordance with  
12 any extension of the legislation permitting the issuance of such qualified school construction  
13 bonds, for the purposes of financing and refinancing the acquisition, construction,  
14 reconstruction, equipping or renovation of public school facilities and refunding certain  
15 outstanding school system revenue bonds. There shall be added to the title of the Bonds a  
16 designation corresponding to the year in which the Bonds are issued so that, if the Bonds are  
17 issued on or after January 1, 2010 and before January 1, 2011, the Bonds shall be known as the  
18 “School System Revenue Bonds (Qualified School Construction Bonds), Series 2010” and the  
19 “School System Revenue Bonds (Refunding Bonds), Series 2010,” respectively.

20 **SECTION 2. AND BE IT FURTHER RESOLVED,** That the City approves the issuance and sale of  
21 the Refunding Bonds to refund all or a portion of any of the Board’s outstanding School System  
22 Revenue Bonds.

23 **SECTION 3. AND BE IT FURTHER RESOLVED,** That the City approves the issuance and sale of  
24 the New Money Bonds as qualified tax credit bonds or direct subsidy payment bonds that will  
25 constitute “qualified school construction bonds” pursuant to Section 54F of the Internal Revenue  
26 Code of 1986, as amended (the “Code”) and the Board has received an allocation sufficient for  
27 the issuance of the New Money Bonds from the United States of America Secretary of the  
28 Treasury pursuant to the Code.

29 **SECTION 4. AND BE IT FURTHER RESOLVED,** That the proceeds of the Bonds may be used  
30 only for the purposes specified in Section 1 of this Resolution, as part of the Baltimore City  
31 Public School System’s Facility Planning and School Construction Program.

32 **SECTION 5. AND BE IT FURTHER RESOLVED,** That the Bonds issued by the Board may not  
33 pledge the full faith and credit of or otherwise create or constitute a debt of the City, the State, or  
34 any political subdivision of the State.

35 **SECTION 6. AND BE IT FURTHER RESOLVED,** That the Bonds will be issued in accordance  
36 with State Law on a competitive or negotiated basis with a final maturity not to exceed 15 years.

37 **SECTION 7. AND BE IT FURTHER RESOLVED,** That throughout the term of the Bonds, the  
38 Board shall send to the Director of Finance of the City:

- 39 (a) within 210 days after the end of each fiscal year, audited financial statements for that  
40 year; and

**Council Bill 10-0588**

1 (b) within 30 days of its filing, a copy of any required annual disclosure filed under  
2 Securities and Exchange Commission Rule 15c2-12(b)(5)(i).

3 **SECTION 8. AND BE IT FURTHER RESOLVED,** That on each of the first three annual  
4 anniversaries of the issuance of the Bonds, the Board shall send to the Board of Estimates of the  
5 City a written report on:

6 (a) expenditures of the Bond proceeds made to date; and

7 (b) plans for future expenditures of the Bond proceeds.

8 **SECTION 9. AND BE IT FURTHER RESOLVED,** That on the enactment of this Resolution, the  
9 Director of Finance of the City shall forward a copy of this Resolution to the Board.

10 **SECTION 10. AND BE IT FURTHER RESOLVED,** That this Resolution takes effect on the date it  
11 is enacted.

Certified as duly passed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_

\_\_\_\_\_  
President, Baltimore City Council

Certified as duly delivered to Her Honor, the Mayor,  
this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_

\_\_\_\_\_  
Chief Clerk

Approved this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_

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Mayor, Baltimore City