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FROM		
NAME & TITLE	THOMAS J. STOSUR, DIRECTOR	CITY of BALTIMORE
AGENCY NAME & ADDRESS	DEPARTMENT OF PLANNING 417 E. FAYETTE STREET, 8th FLOOR	MEMO
SUBJECT	CITY COUNCIL BILL # 10-0459/BOND ISSUE – BALTIMORE MUSEUM OF ART LOAN	

TO

The Honorable President and
Members of the City Council
City Hall, Room 400
100 N. Holliday Street

DATE:
April 16, 2010

At its regular meeting of April 15, 2010, the Planning Commission considered City Council Bill #10-0459, for the Bond Issue –Baltimore Museum of Art Loan- $1,200,000.

In its consideration of this Bill, the Planning Commission reviewed the attached summary and previous staff report which recommends approval of City Council Bill #10-0459 and adopted the following resolution nine members being present (nine in favor).

> RESOLVED, That the Planning Commission concurs with the recommendation of its departmental staff, and recommends that City Council Bill # 10-0459 be passed by the City Council.

If you have questions contact Ms. Laurie Feinberg, Chief of Comprehensive Planning at (410) 396-1275.

TS/GC/kl

Attachments

cc:
Ms. Sophie Dagenais, Chief of Staff
Ms. Kaliope Parthemos, Assistant Deputy Mayor
Mr. Andrew Frank, Deputy Mayor
Ms. Angela Gibson, Mayor's Office
The Honorable Bill Henry, Rep. for Planning Commission
Ms. Nikol Nabors-Jackson, DHCD
Mr. Larry Greene, Councilmanic Services
Mr. Edward Gallagher, Department of Finance

Sheila Dixon
Mayor

PLANNING COMMISSION

Wilbur E. "Bill" Cunningham, Chairman

STAFF REPORT

Thomas J. Stosur
Director

November 19, 2009

REQUEST: 2010 Loan Authorization Program for FY 2012 and 2013 General Obligation Bond Issues

RECOMMENDATION: Approval

STAFF: Laurie Feinberg

PETITIONER: City of Baltimore

BACKGROUND/HISTORY

General Obligation Bonds (GO Bonds) are a critical component of the City's capital improvement program and provide needed funds for housing and neighborhood revitalization, schools, economic development, improvements to City parks and recreation centers, and other government facilities as well as for key City institutions and cultural attractions.

Once approved by the voters, the authorizations are incorporated into the CIP. Bonds are issued by Treasury Management when the CIP projects spend their appropriation. Currently Baltimore City has a AA Bond rating.

CONFORMITY TO PLANS

In 1990, the Board of Finance adopted a debt policy authorizing the City to issue new debt for capital projects up to a level of $60,000,000 per year, beginning in FY 1996. The proposed FY 2012 and FY 2013 Bond Program conforms to the City Debt Policy and the GO Bond targets set by the Department of Finance of $50,000,000 in FY 2012 and $50,000,000 in FY 2013. All recommended projects are supported by the City's Comprehensive Master Plan.

LOAN AUTHORIZATION PROCESS & TIMETABLE

New this year, the Director of Finance is moving the City's budgeting to an Outcome Budget method. This new budget tool is fully operational for the FY 11 operating budget and Planning was asked to use it for the Loan Program. The Planning and Finance Departments worked to develop a new procedure for applications and review for funding under the Loan Authorization Program. In previous years agencies were given budget targets based on the total funds available. This year funding proposals for the 2010 Loan Authorization Program were evaluated according to the City's new Outcome Budgeting process. Each funding request was to respond primarily to ONE of the Mayor's six

goals. (see below) The total of an agency's funding requests were limited by mayoral goal, not agency target. Agencies were encouraged to work together.

Requests were evaluated by the Planning Department and a newly-designated Capital Budget Results Team, composed of representatives from several City agencies, plus a community representative. The team provided recommendations to the Mayor and her Senior Staff.

Another change for 2010 is the creation of the Department of General Services. This new City agency is responsible for all City owned buildings with the exception of schools.

2010 LOAN AUTHORIZATION PROGRAM SCHEDULE

• Planning Issues Bond Request Targets	Summer 2009
• Outcome Budget Results Team established and met to set targets by Mayoral Objective.	August 30, 2009
• Requests Received by Planning	October 21, 2009
• Results team met to review proposals and recommended to Mayor.	October 26 and Nov. 2, 2009
• Review of Planning Recommendations with Mayor's Office	November 5, 2009
• Planning Commission Recommendations	November 19, 2009
• Board of Finance Action	November 23, 2009
• Board of Estimates Action	December 9, 2009
• Presentation to City Delegation	January 2010
• City Delegation Action on Bond Resolutions	February 2010
• Bond Bills Introduced into City Council	April 2010
• City Council Passage	June 2010
• Voter Action	November 2, 2010
• Loan Funds Appropriated	July 1, 2012 & 2013

BOND REQUEST EVALUATION CRITERIA

The Results Team looked at the projects and how they met the six goals established by the Mayor. In reviewing and scoring the projects they used a set of established evaluation criteria. The criteria was also given to the agencies as they developed their requests.

Mayoral Goals

1. Make Baltimore A Safer City
2. Make Baltimore A Cleaner, Greener, and More Sustainable City
3. Build Strong, Healthy and Educated Families
4. Strengthen Baltimore's Economy and Promote Economic and Cultural Opportunities for All Its Residents
5. Create Stable and Vibrant, Livable Neighborhoods

6. Make Baltimore's Government more Innovative Efficient and Customer Friendly

Results Team CIP Evaluation Criteria

- **Value.** Proposals that demonstrate good value tell us what we can expect to be delivered per dollar spent. Value is a measure of both efficiency and the effectiveness of a service.
- **Strength of alignment with the Mayoral Objective, Priority Indicators, and strategies.**
- **Innovation.** Innovative proposals demonstrate new solutions or the degree to which the service improves or re-engineers the way a service is currently delivered. Even high-value services as they currently are delivered have areas for improvement.
- **Multiple Mayoral Objectives.** We seek proposals that demonstrate the ability to address multiple Mayoral Objectives concurrently.
- **Leverage.** We seek proposals that demonstrate the ability to leverage other funds or resources for service delivery, and/or collaborate with other internal or external entities. Partnerships can also be with neighborhood groups or other non-service providers.
- **Evidence-based.** We seek proposals that deliver a service that is proven effective through empirical data or professional best practices. This can be an agency's data gathered through CitiStat or some other performance measurement effort, or reliable data gathered by another organization.
- **Part of a Strategic Plan.** We seek proposals that advance an existing or emerging strategic plan. Strategic Plans outline clear goals and objectives with specific action items, funding sources, individual roles, and time lines. Examples include the Sustainability Plan, Comprehensive Master Plan, Ten Year Plan to End Homelessness, Birth Outcomes Plan, etc.
- **Customer Service Focus.** We seek proposals that focus on providing excellent customer service. Think of customers broadly and to include internal customers, such other City agencies or City staff members, and external customers, including citizens and users of City services

The Planning Department also looked at the following in review of the projects.

- Funds will be spent in the budget year.
- Project fulfills a State or Federal mandate.
- Project promotes joint use of public facilities among City agencies or with private entities to enhance neighborhood programming and service delivery.
- Agency has fully utilized previous appropriations for approved purposes.

PLANNING DEPARTMENT RECOMMENDATION

- Requests for FY 2012 totaled $ 182,213,915
- Requests for FY 2013 totaled $ 134,524,590

There were a number of overarching factors to be considered in reviewing the loan requests. They included, lower Bond Targets, no Motor Vehicle Revenue Capital funds, new agencies competing for funds such as the Convention Center, Department of Transportation and Department of Public Works. After careful analysis of the requests received, Results Team review, and consultation with Mayor and senior staff, Planning Staff recommends the following allocation of funds for the 2010 Loan Authorization Program. The attached spreadsheet provides the breakdown of projects recommended for funding under each goal.

Recommended Bond Fund Distribution (Dollars) by Mayoral Goals

	FY 2012	FY 2013	TOTAL
Make Baltimore A Safer City	3,775,000	1,500,000	**5,275,000**
Make Baltimore A Cleaner, Greener, and More Sustainable City	2,725,000	4,350,000	**7,075,000**
Build Strong, Healthy and Educated Families	22,534,000	22,491,000	**45,025,000**
Strengthen Baltimore's Economy and Promote Economic and Cultural Opportunities for All Its Residents	8,650,000	10,925,000	**19,575,000**
Create Stable and Vibrant, Livable Neighborhoods	9,316,000	7,734,000	**17,050,000**
Make Baltimore's Government more Innovative Efficient and Customer Friendly	3,000,000	3,000,000	**6,000,000**
TOTAL	**50,000,000**	**50,000,000**	**100,000,000**

Thomas J. Stosur
Director