



**BALTIMORE  
HOUSING**

SHEILA DIXON  
Mayor

PAUL T. GRAZIANO  
Executive Director, HABC  
Commissioner, HCD

## MEMORANDUM

To: The Honorable President and Members of the Baltimore City Council  
c/o Karen Randle, Executive Secretary

From: Paul T. Graziano, Commissioner

Date: January 29, 2009

Re: **City Council Bill 09-0266 Maryland Department of Transportation -  
County Transportation Revenue Bonds - Series 2009**

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The Department of Housing and Community Development (DHCD) has reviewed City Council Bill 09-0266, which was introduced for the purpose of authorizing the Mayor and City Council of Baltimore to enter into an agreement with the Maryland Department of Transportation in connection with the participation by the City in the proceeds derived from the sale of certain bonds, to be known as Department of Transportation of Maryland - County Transportation Revenue Bonds, Series 2009 and to be issued pursuant to State Transportation Article, Title 3, Subtitle 5; authorizing the City to take any other action that may be necessary and proper to secure the share to which it is entitled of the proceeds derived from the sale of these bonds; and providing for a special effective date.

The proposed legislation authorizes the Mayor and City Council to enter into an agreement with the Maryland Department of Transportation (MDOT) in order for the City to receive proceeds generated by the sale of MDOT bonds. It further authorizes the City to take any other action to secure its share of the proceeds derived from the sale of the bonds.

By participating in the issuance of MDOT bonds, the City benefits from the State's superior bond rating. In exchange for its participation, the City agrees to pay its proportion of the principal and interest from its share of Highway User Revenues. This sale will bring \$30,000,000 to the City for the fiscal year beginning July of 2008. The proceeds will be used to fund capital projects as approved in the FY2008 Capital Improvement Program.

The Department of Housing and Community Development supports the adoption of City Council Bill 09-0266.

PTG:pmd

cc: Ms. Angela Gibson  
Mr. Andrew Frank  
Ms. Diane Hutchins

