



# MEMORANDUM

STEPHANIE  
RAWLINGS-BLAKE,  
Mayor

PAUL T. GRAZIANO,  
Executive Director, HABC  
Commissioner, HCD

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

From: Paul T. Graziano, *Commissioner*

Date: May 29, 2012

Re: **City Council Bill 12-0076 – Maryland Department of Transportation – County  
Transportation Revenue Bonds – Series 2012**

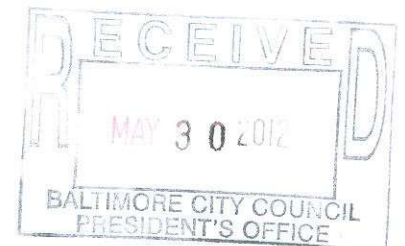
The Department of Housing and Community Development has reviewed City Council Bill 12-0076, which was introduced for the purpose of authorizing the Mayor and City Council of Baltimore to enter into an agreement with the Maryland Department of Transportation in connection with the participation by the 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 2012 or as otherwise designated by the Secretary of Transportation and to be issued pursuant to State Transportation Article, Title 3, Subtitle 5; authorizing certain officials of the City to take certain actions in connection with the City's participation in the proceeds of the sale of such bonds; providing for the pledge of the City's share of Highway User Revenues to the payment of such bonds; providing that neither the faith and credit nor the taxing power of the City shall be pledged to the City's payment obligations under the Participation Agreement identified herein; providing for the severability of the provisions of this Resolution; providing that this Resolution shall be liberally construed; and providing for a special effective date.

It is the understanding of the Department of Housing and Community Development ("HCD") that this bill will allow the City of Baltimore ("City") to enter into an agreement with the Maryland Department of Transportation ("MDOT") to allow the City to receive proceeds from MDOT's sale of County Transportation Revenue Bonds, Series 2012, in an amount not to exceed \$28,500,000, and to authorize MDOT to withhold an amount equal to the City's debt service amount from the City's annual allocation of Highway User Funds. Additionally, HCD understands that these funds will be used to pay the cost of transportation projects within the City and to cover administrative costs related to bond issuance.

The Department of Housing and Community Development supports the adoption of City Council Bill 12-0076.

PTG:nb

cc: Ms. Angela Gibson, *Mayor's Office of Government Relations*  
Ms. Kaliope Parthemos, *Deputy Mayor*



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