

For Internal Use Only



**BALTIMORE CITY COUNCIL
WAYS AND MEANS
COMMITTEE**

Mission Statement

The Committee on Ways and Means (WM) is responsible for ensuring taxpayer dollars are expended prudently and equitably. WM will exercise regular oversight of the City's budget, expenditures, loans, and other financial matters. The committee's areas of jurisdiction include: budget & appropriations, taxation, financial services, consumer protection, audits, and the Comptroller's Office.

**The Honorable Eric T. Costello
Chairman**

PUBLIC HEARING

**Tuesday, July 2, 2024
10:07 AM**

COUNCIL CHAMBERS

Council Bill #24-0537

Bond Issue – Public Infrastructure Loan - \$125,000,000

CITY COUNCIL COMMITTEES

ECONOMIC AND COMMUNITY DEVELOPMENT (ECD)

Sharon Green Middleton, Chair
John Bullock – Vice Chair
Mark Conway
Ryan Dorsey
Antonio Glover
Odette Ramos
Robert Stokes
Staff: Anthony Leva (410-396-1091)

WAYS AND MEANS (W&M)

Eric Costello, Chair
Kristerfer Burnett
Ryan Dorsey
Danielle McCray
Sharon Green Middleton
Isaac “Yitzy” Schleifer
Robert Stokes
Staff: Marguerite Currin (443-984-3485)

PUBLIC SAFETY AND GOVERNMENT OPERATIONS (SGO)

Mark Conway – Chair
Kristerfer Burnett
Zeke Cohen
Erick Costello
Antonio Glover
Phylicia Porter
Odette Ramos
Staff: Anthony Leva (410-396-1091)

FINANCE AND PERFORMANCE (FP)

John Bullock, Chair
Eric Costello, Vice Chair
Isaac “Yitzy” Schleifer
Danielle McCray
Phylicia Porter
Staff: Marguerite Currin (443-984-3485)

COMMITTEE OF THE WHOLE (COW)

President Nick Mosby, Chair
All City Council Members
Staff: Larry Greene (410-396-7215)

EDUCATION, WORKFORCE, AND YOUTH (EWY)

Robert Stokes – Chair
John Bullock
Zeke Cohen
Antonio Glover
Sharon Green Middleton
Phylicia Porter
James Torrence
Staff: Deontre Hayes (410-396-1260)

HEALTH, ENVIRONMENT, AND TECHNOLOGY (HET)

Danielle McCray – Chair
John Bullock
Mark Conway
Ryan Dorsey
Phylicia Porter
James Torrence
Isaac “Yitzy” Schleifer
Staff: Deontre Hayes (410-396-1260)

RULES AND LEGISLATIVE OVERSIGHT (OVERSIGHT)

Isaac “Yitzy” Schleifer, Chair
Kristerfer Burnett
Mark Conway
Eric Costello
Sharon Green Middleton
Odette Ramos
James Torrence
Staff: Richard Krummerich (410-396-1266)

LEGISLATIVE INVESTIGATIONS (LI)

Eric Costello, Chair
Sharon Green Middleton, Vice Chair
Isaac “Yitzy” Schleifer
Robert Stokes
Danielle McCray
Staff: Marguerite Currin (443-984-3485)



BILL SYNOPSIS

Committee: Ways and Means

Bill: 24-0537

Bond Issue – Public Infrastructure Loan - \$125,000,000

Sponsor: Administration
Introduced: May 16, 2024

FOR the purpose of authorizing the Mayor and City Council of Baltimore (pursuant to General Assembly House Resolution I and Senate Resolution I of 2024 approved by the members of the Maryland General Assembly representing Baltimore City) to create a debt, and to issue and sell, at any time or from time to time and in one or more series its certificates of indebtedness as evidence thereof, and proceeds not exceeding ONE HUNDRED TWENTY-FIVE Million (\$125,000,000.00) from the sale of such certificates of indebtedness to be used for the cost of issuance...

Effective: Following city voters’ approval at the General Election (Tuesday, November 5, 2024)

Agency Reports

Law	Favorable
Department of Finance	None as of this writing
Department of Planning	Favorable
Baltimore Development Corporation	None as of this writing
Enoch Pratt Free Library	None as of this writing
Department of Housing and Community Development	Favorable

Analysis

Current Law

- I. General Assembly House Resolution I and Senate Resolution I of 2024 approved by the members of the Maryland General Assembly representing Baltimore City. – **Council Bill 24-0537**

II. Section 7 of Article XI of the Constitution of Maryland along with City voters ratifies local legislation permitting the City to issue General Obligation Bonds.

Background

In 2022, voters approved \$160 million in General Obligation Bonds (GOB) per year for Fiscal 2024 and 2025:

- \$14 million for Affordable Housing Loan
- \$72 million for Public Infrastructure Loan
- \$36 million for Community and Economic Development Loan, and
- \$38 million for School Loan

General Obligation Bonds are borrowed funds that are used for capital projects. GOB must be used for affordable housing, schools, public infrastructure, and community and economic development in accordance with the loan authorization approved by voters. The debt service to repay the bonds is paid from the City’s future General Fund revenue.

Council Bills 24-0534 thru 24-0537 are all Bond Issues. Once approved by the Mayor and City Council, all four bills will go to the qualified voters of Baltimore City on November 5, 2024, to ask for their approval to issue the bonds for fiscal years 2026 and 2027.

Council Bill 24-0537, if approved will be used for public infrastructure improvements and development, such as improvements to Enoch Pratt Free Library’s properties, courthouses, streets, bridges, parks, etc. Totaling \$125 million; (\$62.5 million each fiscal year); a \$53 million increase over what was submitted and approved in 2022.

Additional Information

Fiscal Note:

Information Source(s): 24-0537, Maryland Law, and all agency reports received as of this writing.

Analysis by: Niya N. Garrett
Analysis Date: June 27, 2024

Direct Inquiries to (410) 396-1268

Council Bill 24-0537

Agency Report

SEE ATTACHED

CITY OF BALTIMORE

BRANDON M. SCOTT
Mayor



DEPARTMENT OF LAW
EBONY M. THOMPSON, CITY SOLICITOR
100 N. HOLLIDAY STREET
SUITE 101, CITY HALL
BALTIMORE, MD 21202

June 4, 2024

The Honorable President and Members
of the Baltimore City Council
Room 409, City Hall
100 N. Holliday Street
Baltimore, Maryland 21202

Re: Mayor and City Council Bill 24-0537 – Bond Issue – Public Infrastructure Loan –
\$125,000,000

Dear President and City Council Members:

The Law Department has reviewed City Council Bill 24-0537 for form and legal sufficiency. The bill would authorize the Mayor and City Council to create a debt not exceeding \$125,000,000 (the “Debt”) for the public purposes that are outlined in the House Resolution IV and Senate Resolution IV of the General Assembly’s 2024 Legislative Session. The bill also contains provisions concerning the use of the funds, the issuance of the bonds, and other related matters.

Section 7 of Article XI of the Constitution of Maryland prevents the Mayor and City Council of Baltimore from creating general obligation debt that is secured by the full faith and credit of the City without having the proposal first be “(1) presented to and approved by a majority of the members of the General Assembly representing Baltimore City no later than the 30th day of the regular session of the General Assembly immediately preceding its submission to the voters, or (2) authorized by an act of the General Assembly.” The aforementioned General Assembly Resolutions of 2024 have satisfied this requirement. The Maryland Constitution also requires that this bill “provide for the discharge of any such debt or credit within the period of 40 years from the time of contracting the same,” which it does.

Additionally, the Maryland Constitution requires that after enactment, this ordinance be “submitted to the legal voters of the City of Baltimore, at such time and place as may be fixed by the ordinance, and approved by a majority of the votes cast at that time and place.” Md. Const., Art. XI, § 7. This bill provides for this requirement in Section 6. The Law Department approves Council Bill 24-0537 for form and legal sufficiency.

Very truly yours,


A handwritten signature in blue ink, appearing to read "Hilary Ruley".

Hilary Ruley
Chief Solicitor

cc: Ebony Thompson, City Solicitor
Nina Themelis, Mayor's Office of Government Relations
Elena DiPietro, Chief Solicitor, General Counsel Division
Ashlea Brown, Chief Solicitor
Michelle Toth, Assistant Solicitor



CITY OF BALTIMORE
MAYOR BRANDON M. SCOTT

TO	The Honorable President and Members of the Baltimore City Council
FROM	Chris Ryer, Director, Department of Planning 
DATE	June 20, 2024
SUBJECT	City Council Bill #24-0537 - Bond Issue - Public Infrastructure Loan - \$125,000,000

Position: Approval

SUMMARY OF POSITION

The Department of Planning (DoP) annually prepares a six-year Capital Improvement Program, the first year of which becomes the City's capital budget. DoP works with agencies that manage physical infrastructure and support improvements to the physical environment of the City. General Obligation (GO) bonds are a small but extremely important piece of the City's capital budget, used to match state and federal funds, fund the City's highest priority projects, and fund necessary projects for which no other source is available. Every two years, the City of Baltimore must get permission from voters through a ballot referendum to issue general obligation bonds (GO bonds). GO bonds are borrowed funds that are used for capital projects, including housing and neighborhood revitalization; school renovations and improvements; economic development; improvements to City parks, recreation centers, and other government facilities; transportation infrastructure; and key City institutions and cultural attractions.

Public Infrastructure Loan

The Public Infrastructure Loan provides critical funds for upgrades to public infrastructure including parks, recreation centers, playgrounds, athletic courts, libraries, health centers, streets, bridges, bike lanes, sidewalks, transportation safety improvements, courthouses, city office buildings, police stations, fire stations, and solid waste facilities. It is important to note that this loan allows for transportation funding for projects that, prior to the Great Recession, would have been funded with Highway User Revenue. The Public Infrastructure Loan is the sole source of funding for many facilities, such as city buildings and solid waste infrastructure. It also must be used to match state and federal funding for parks and recreation and transportation. This loan cannot meet the infrastructure needs for the City, but is an incredibly important fund source to meet the most urgent needs.


CONCLUSION

This bill is consistent with what was approved by the Planning Commission in its public meeting on November 2, 2023, and so the Department of Planning recommends that this bill be approved.

If you have any questions, please contact Mr. Eric Tiso, Division Chief, Land Use and Urban Design Division at eric.tiso@baltimorecity.gov or at 410-396-8358.



CITY OF BALTIMORE
MAYOR BRANDON M. SCOTT

TO	The Honorable President and Members of the Baltimore City Council
FROM	Alice Kennedy, Housing Commissioner 
DATE	July 2, 2024
SUBJECT	24-0537 – Bond Issue – Public Infrastructure Loan – \$125,000,000

The Honorable President and
Members of the City Council
City Hall, Room 400

7/2/2024

Introduction

The Department of Housing and Community Development (DHCD) has reviewed *City Council Bill 24-0537 Bond Issue - Public Infrastructure Loan - \$125,000,000* which would authorize the Mayor and City Council to create a debt not exceeding \$125,000,000 (the “Debt”) for the public purposes that are outlined in House Resolution IV and Senate Resolution IV of the General Assembly’s 2024 Legislative Session.

If enacted, City Council Bill 24-0537 would create a ballot measure permitting the Mayor and City Council to sell certificates of indebtedness with proceeds from their sale not exceeding \$125,000,000.00 to be used by the City to maintain, repair and rehabilitate diverse public infrastructure critical to Baltimore’s daily health and functionality. If approved, the ballot measure would be submitted to the legal voters of the City of Baltimore as part of the general election on November 5, 2024.

DHCD Analysis

Bond funding furthers DHCD’s mission to improve the quality of life for all Baltimore City residents by revitalizing and redeveloping communities while promoting access to quality affordable housing opportunities in safe, livable neighborhoods. The issuance of bonds for the development of public infrastructure is critical to the continued growth of the City of Baltimore.

Conclusion

DHCD respectfully request a **favorable** report on City Council Bill 24-0537.

**CITY OF BALTIMORE
COUNCIL BILL 24-0537
(First Reader)**

Introduced by: The Council President
At the request of: The Administration (Department of Planning)
Introduced and read first time: May 16, 2024
Assigned to: Ways and Means Committee

REFERRED TO THE FOLLOWING AGENCIES: City Solicitor, Department of Finance, Department of Housing and Community Development, Department of Planning, Baltimore Development Corporation, Enoch Pratt Free Library

A BILL ENTITLED

1 AN ORDINANCE concerning

2 **Bond Issue - Public Infrastructure Loan - \$125,000,000**

3 FOR the purpose of authorizing the Mayor and City Council of Baltimore (pursuant to General
4 Assembly House Resolution IV and Senate Resolution IV of 2024 approved by the members
5 of the Maryland General Assembly representing Baltimore City) to create a debt, and to issue
6 and sell its certificates of indebtedness as evidence thereof, and proceeds not exceeding ONE
7 HUNDRED TWENTY-FIVE Million Dollars (\$125,000,000.00) from the sale of such
8 certificates of indebtedness to be used for the cost of issuance, including the expense of
9 engraving, printing, advertising, attorneys' fees, and all other incidental expenses connected
10 therewith (which may include the proportion of the compensation of employees and general
11 administrative expenses of the Department of Finance reasonably allocated to the issuance of
12 the bonds); for the development of the public infrastructure owned or controlled by the
13 Mayor and City Council of Baltimore and the Enoch Pratt Free Library, and the construction
14 and development of streets, bridges, courthouses, city office buildings, police stations, fire
15 stations, solid waste facilities, information technology, public park and recreational and
16 related land, property, buildings, structures or facilities including but not limited to, the
17 acquisition by purchase, lease, condemnation or any other legal means, of land or property, or
18 any rights therein, in the City of Baltimore, and constructing and erecting on said land or
19 property, or on any land or property, new buildings, structures, and auxiliary facilities; and
20 for the renovation, alteration, construction, reconstruction, installation, improvement and
21 repair of existing infrastructure, buildings, structures or facilities, to be or now being used for
22 or in connection with the operations, functions and activities of the Mayor and City Council
23 of Baltimore and the Enoch Pratt Free Library, the demolition, removal, relocation,
24 renovation or alteration of land, buildings, streets, highways, alleys, utilities or services, and
25 other structures or improvements, and for the construction, reconstruction, installation,
26 relocation or repair of buildings, streets, highways, alleys, utilities or services, including
27 information technology infrastructure, and other structures or improvements; for the
28 acquisition and installation of trees or for tree planting programs; and for the acquisition and
29 installation of equipment and fixtures for any and all facilities authorized to be constructed,
30 erected, altered, reconstructed, renovated, installed or improved by the provisions hereof; the
31 payment of any and all costs and expenses incurred for or in connection with doing any or all
32 of the things herein mentioned, including but not limited to, the costs and expenses of
33 securing administrative, appraisal, economic analysis, engineering, planning, designing,

EXPLANATION: CAPITALS indicate matter added to existing law.
[Brackets] indicate matter deleted from existing law.

Council Bill 24-0537

1 architectural, surveying and other professional services; and for doing any and all things
2 necessary, proper or expedient in connection with or pertaining to any or all of the matters or
3 things hereinbefore mentioned; authorizing the issuance of refunding bonds; conferring and
4 imposing upon the Board of Finance of Baltimore City certain powers and duties; authorizing
5 the submission of this Ordinance to the legal voters of the City of Baltimore, for their
6 approval or disapproval, at the General Election to be held in Baltimore City on Tuesday, the
7 5th day of November, 2024; and providing for the expenditure of the proceeds of sale of said
8 certificates of indebtedness in accordance with the provisions of the Charter of the Mayor and
9 City Council of Baltimore, and by the municipal agency designated in the annual Ordinance
10 of Estimates of the Mayor and City Council of Baltimore.

11 **WHEREAS**, By General Assembly House Resolution IV and Senate Resolution IV of 2024,
12 approved by the members of the Maryland General Assembly representing Baltimore City, the
13 Mayor and City Council of Baltimore is authorized to create a debt and to issue and sell its
14 certificates of indebtedness (hereinafter called “bonds”) as evidence thereof, and proceeds not
15 exceeding ONE HUNDRED TWENTY-FIVE Million Dollars (\$125,000,000.00) from the sale
16 of such bonds to be used for the development of the public infrastructure as authorized by said
17 Resolution; and

18 **WHEREAS**, Funds are now needed for said purposes; now, therefore,

19 **SECTION 1. BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE**, That the
20 Mayor and City Council of Baltimore, acting by and through the Board of Finance of said
21 municipality, be and it is hereby authorized and empowered to create a debt and to issue and sell
22 bonds of the Mayor and City Council of Baltimore from time to time, as may be needed or
23 required for the purposes hereinafter named and said bonds shall be sold by the Board of Finance
24 from time to time and at such times as shall be requisite, and proceeds not exceeding ONE
25 HUNDRED TWENTY-FIVE Million Dollars (\$125,000,000.00) from the sale of such bonds
26 shall be used for the purposes hereinafter named, provided that this Ordinance shall not become
27 effective unless it shall be approved by a majority of the votes of the legal voters of Baltimore
28 City cast at the time and place hereinafter designated by this Ordinance.

29 **SECTION 2. AND BE IT FURTHER ORDAINED**, That:

30 (a) The denomination or denominations of the bonds to be issued at any particular time
31 and the place or places for the payment of principal and interest thereof are to be determined by
32 the Board of Finance.

33 (b) The bonds authorized to be issued and sold under the provisions of this Ordinance
34 may be issued to mature on such dates and in such amounts as the Board of Finance may
35 determine; provided that the entire principal amount represented thereby shall be discharged not
36 more than 40 years from the date of issuance of the bonds.

37 (c) The bonds, when issued, shall bear interest at such rate or rates as may be determined
38 by the Board of Finance, which rate or rates may be fixed or variable or as determined by a
39 method approved by the Board of Finance, and such interest shall be payable at such time or
40 times as may be determined by the Board of Finance.

Council Bill 24-0537

1 **SECTION 3. AND BE IT FURTHER ORDAINED,** That a majority of the Board of Finance of the
2 Mayor and City Council of Baltimore be, and they are hereby, authorized to pass a resolution or
3 resolutions, from time to time, to determine and set forth any or all of the following:

4 (a) The amount of debt to be incurred by the Mayor and City Council of Baltimore at any
5 particular time, and from time to time, under and pursuant to the provisions of this Ordinance;
6 the date or dates when any bonds representing said debt, or any part thereof, are to mature, and
7 the amount or amounts of said debt, or any part thereof, which shall mature upon the aforesaid
8 date or dates; and the date or dates in each year, during the entire period of time when any of said
9 bonds are outstanding, when interest on any of said bonds shall be payable;

10 (b) The form or forms of the bonds representing the debt, or any part thereof, authorized
11 to be issued under the provisions of this Ordinance at any particular time; and

12 (c) If the bonds are to be sold at public sale, the time, place, manner and medium of
13 advertisement of the readiness of the Board of Finance, acting for and on behalf of the Mayor and
14 City Council of Baltimore, to receive bids for the purchase of the bonds authorized to be issued
15 hereunder or any part thereof; the form, terms and conditions of such bids; the time, place and
16 manner of awarding bonds so bid for, including the right whenever any of the bonds authorized
17 by this Ordinance are offered for sale and sold at the same time as other bonds of the City, to
18 establish the conditions for bids and awards and to award all of the bonds on an all or none basis,
19 and the time, place, terms and manner of settlement for the bonds so bid for; provided, however,
20 that notwithstanding anything in this section, the Mayor and City Council of Baltimore, or the
21 Board of Finance, as the case may be, shall have the right to reject any or all bids therefor for any
22 reason.

23 **SECTION 4. AND BE IT FURTHER ORDAINED,** That:

24 (a) All premiums resulting from the sale of any of the bonds issued and sold pursuant to
25 the provisions of this Ordinance shall be applied as directed by the Board of Finance.

26 (b) The debt authorized by the provisions of this Ordinance, and the bonds issued and
27 sold pursuant thereto and their transfer, and the principal and interest payable thereon (including
28 any profit made in the sale thereof), shall be and remain exempt from any and all State, county
29 and municipal taxation in the State of Maryland.

30 (c) All bonds issued and sold pursuant to the provisions of this Ordinance may be sold at
31 public sale by the solicitation of competitive bids or at private (negotiated) sale without
32 advertisement or solicitation of competitive bids, for a price or prices which may be at, above or
33 below par value of the bonds, as determined by resolution of the Board of Finance of the Mayor
34 and City Council of Baltimore.

35 **SECTION 5. AND BE IT FURTHER ORDAINED,** That until all of the interest on and principal of
36 any bonds issued pursuant to the provisions of this Ordinance have been paid in full, the Mayor
37 and City Council of Baltimore shall levy and impose an annual tax on each \$100 of assessable
38 property in the City of Baltimore at a rate sufficient to produce revenue to pay all interest on and
39 principal of all bonds theretofore issued and outstanding or authorized to be issued and
40 outstanding, payable in the next succeeding year.

Council Bill 24-0537

1 **SECTION 6. AND BE IT FURTHER ORDAINED**, That this Ordinance shall be submitted to the
2 legal voters of the City of Baltimore, for their approval or disapproval, at the General Election to
3 be held in Baltimore City, on Tuesday, the 5th day of November, 2024.

4 **SECTION 7. AND BE IT FURTHER ORDAINED**, That prior to the date of the election
5 hereinbefore mentioned, notice shall be given to the public of the amount of money which the
6 Mayor and City Council of Baltimore is authorized to borrow, and the general purposes for
7 which such borrowed funds may be expended, under the terms and provisions of this Ordinance,
8 and the time when the election hereinbefore mentioned is to be held; and such public notice shall
9 be given in such manner and by such means or through such media and at such time or times as
10 may be determined, from time to time, by a majority of the Board of Finance.

11 **SECTION 8. AND BE IT FURTHER ORDAINED**, That the actual cash proceeds derived from the
12 sale of the bonds authorized to be issued under the provisions of this Ordinance shall be used
13 exclusively for the following purposes, to wit:

14 (a) So much thereof as may be necessary for the cost of issuance, including the expense
15 of engraving, printing, advertising, attorneys' fees, and all other incidental expenses connected
16 therewith (which may include the proportion of the compensation of employees and general
17 administrative expenses of the Department of Finance reasonably allocated to the issuance of the
18 bonds); and

19 (b) The remainder of such proceeds shall be used for the for the development of the
20 public infrastructure owned or controlled by the Mayor and City Council of Baltimore and the
21 Enoch Pratt Free Library, and the construction and development of streets, bridges, courthouses,
22 city office buildings, police stations, fire stations, solid waste facilities, information technology,
23 public park and recreational and related land, property, buildings, structures or facilities
24 including but not limited to, the acquisition by purchase, lease, condemnation or any other legal
25 means, of land or property, or any rights therein, in the City of Baltimore, and constructing and
26 erecting on said land or property, or on any land or property, new buildings, structures, and
27 auxiliary facilities; and for the renovation, alteration, construction, reconstruction, installation,
28 improvement and repair of existing infrastructure, buildings, structures or facilities, to be or now
29 being used for or in connection with the operations, functions and activities of the Mayor and
30 City Council of Baltimore and the Enoch Pratt Free Library, the demolition, removal, relocation,
31 renovation or alteration of land, buildings, streets, highways, alleys, utilities or services, and
32 other structures or improvements, and for the construction, reconstruction, installation, relocation
33 or repair of buildings, streets, highways, alleys, utilities or services, including information
34 technology infrastructure, and other structures or improvements; for the acquisition and
35 installation of trees or for tree planting programs; and for the acquisition and installation of
36 equipment and fixtures for any and all facilities authorized to be constructed, erected, altered,
37 reconstructed, renovated, installed or improved by the provisions hereof; the payment of any and
38 all costs and expenses incurred for or in connection with doing any or all of the things herein
39 mentioned, including but not limited to, the costs and expenses of securing administrative,
40 appraisal, economic analysis, engineering, planning, designing, architectural, surveying and other
41 professional services; and for doing any and all things necessary, proper or expedient in
42 connection with or pertaining to any or all of the matters or things hereinbefore mentioned.

Council Bill 24-0537

SECTION 9. AND BE IT FURTHER ORDAINED, That:

(a) The Mayor and City Council of Baltimore, acting by and through the Board of Finance thereof, is hereby authorized and empowered to issue its bonds for the purpose of refunding any bonds authorized to be issued under the provisions of this Ordinance by payment at maturity or the purchase or redemption of bonds in advance of maturity. The validity of any refunding bonds shall in no way be dependent upon or related to the validity or invalidity of the bonds being refunded. Such refunding bonds may be issued by the Mayor and City Council of Baltimore, acting by and through the Board of Finance thereof, for the purpose of providing it with funds to pay any of its outstanding bonds authorized to be issued under the provisions of this Ordinance at maturity, to purchase in the open market any of its outstanding bonds authorized to be issued under the provisions of this Ordinance prior to their maturity, to redeem prior to their maturity any outstanding bonds which are, by their terms, redeemable, to pay interest on any outstanding bonds prior to their payment at maturity or purchase or redemption in advance of maturity, or to pay any redemption or purchase premium in connection with the refunding of any of its outstanding bonds authorized to be issued under the provisions of this Ordinance.

(b) Any refunding bonds authorized to be issued and sold under the provisions of this Ordinance may be issued for the public purpose of:

(1) Realizing savings to Baltimore City in the aggregate cost of debt service on either a direct comparison or present value basis; or

(2) Debt restructuring that:

(i) In the aggregate effects such a reduction in the cost of debt service; or

(ii) Is determined by the Board of Finance of the Mayor and City Council of Baltimore to be in the best interests of Baltimore City, to be consistent with Baltimore City's long-term financial plan, and to realize a financial objective of Baltimore City including, improving the relationship of debt service to a source of payment such as taxes, assessments, or other charges.

(c) Any refunding bonds authorized to be issued and sold under the provisions of this Ordinance may be issued in whatever principal amount shall be required to achieve the purpose for the issuance of the refunding bonds, which amount may be in excess of the principal amount of the bonds refunded or the maximum principal amount of bonds authorized to be issued under Section 1 of this Ordinance.

(d) Any refunding bonds authorized to be issued and sold under the provisions of this Ordinance may be issued to mature on such dates and in such amounts as the Board of Finance may determine; provided that the entire principal amount represented by the refunding bonds shall be discharged not more than 40 years from the date of issuance of the bonds being refunded.

(e) Any refunding bonds authorized to be issued and sold under the provisions of this Ordinance may be sold at public sale by the solicitation of competitive bids or at private (negotiated) sale without advertisement or solicitation of competitive bids, for a price or prices which may be at, above or below the par value of the refunding bonds, as determined by resolution of the Board of Finance of the Mayor and City Council of Baltimore.

Council Bill 24-0537

1 (f) Any refunding bonds authorized to be issued and sold under the provisions of this
2 Ordinance shall bear interest at such rate or rates as may be determined by the Board of Finance
3 of the Mayor and City Council of Baltimore, which rate or rates may be fixed or variable or as
4 determined by a method approved by the Board of Finance, and such interest shall be payable at
5 such time or times as may be determined by the Board of Finance.

6 (g) The proceeds of the sale of any refunding bonds authorized to be issued and sold
7 under the provisions of this Ordinance, after the payment of issuance costs relating thereto, shall
8 be set aside by the Mayor and City Council of Baltimore as a separate trust fund to be used solely
9 for the purposes stated in this Section 9.

10 (h) Except as otherwise provided in this Section 9, the powers granted in, the limitations
11 and obligations imposed by, and the procedures specified in this Ordinance with respect to the
12 issuance of bonds shall be applicable to the issuance of refunding bonds.

13 (i) Any refunding bonds authorized to be issued and sold under the provisions of this
14 Ordinance shall not be subject to any debt policy limitation that may from time to time be
15 established by the Mayor and City Council of Baltimore.

16 **SECTION 10. AND BE IT FURTHER ORDAINED,** That the expenditure of the proceeds derived
17 from the sale of the bonds authorized to be issued under the provisions of this Ordinance shall be
18 in accordance with the provisions of the Charter of the Mayor and City Council of Baltimore, and
19 by the municipal agency designated in the annual Ordinance of Estimates of the Mayor and City
20 Council of Baltimore.