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|-------------|-----------------------|---|---|---|
| <b>FROM</b> | NAME & TITLE          | THOMAS J. STOSUR, DIRECTOR  | CITY of<br>BALTIMORE<br><br><b>MEMO</b> |  |
|             | AGENCY NAME & ADDRESS | DEPARTMENT OF PLANNING<br>417 E. FAYETTE STREET, 8 <sup>th</sup> FLOOR                            |   |   |
|             | SUBJECT               | CITY COUNCIL BILL # 14-0343/BOND ISSUE –<br>COMMUNITY AND ECONOMIC DEVELOPMENT LOAN- \$47,000,000 |   |   |

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

DATE: April 24, 2014

At its regular meeting of April 17, 2014, the Planning Commission considered City Council Bill #14-0343 for the Bond Issue – Community and Economic Development Loan- \$47,000,000.

In its consideration of this Bill, the Planning Commission reviewed the attached summary and previous staff report which recommends approval of City Council Bill #14-0343 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 # 14-0343 be passed by the City Council.

If you have questions contact Ms. Sara Paranilam, Chief of Comprehensive Planning at (410) 396-5935.

TS/tw

Attachments

cc:

- Mr. Alexander Sanchez, Chief of Staff
- Ms. Kaliopé Parthemos, Deputy Chief
- Ms. Angela Gibson, Mayor's Office
- The Honorable Rochelle "Rikki" Spector, Rep. for Planning Commission
- Ms. Karen Randle, Councilmanic Services
- Mr. Harry Black, Director of Finance
- Mr. Steve Kraus, Chief, Bureau of Treasury Management
- Mr. Wilbur E. Cunningham, Chairman, Planning Commission
- Ms. Laurie Feinberg, Assistant Director, Department of Planning



*Stephanie Rawlings-  
Blake  
Mayor*

## PLANNING COMMISSION

*Wilbur E. "Bill" Cunningham, Chairman*



*Thomas J. Stosur  
Director*

### STAFF REPORT

November 7, 2013

**REQUEST:** 2014 Loan Authorization Program for FY 2016 and 2017 General Obligation Bond Issues

**RECOMMENDATION:** Approval

**STAFF:** Sara Paraniham

**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.

The 2014 Loan Authorization Program will enable the City to issue \$130 million in General Obligation Bonds, \$65 million for fiscal year 2016 and \$65 million for fiscal year 2017. General Obligation Bonds are borrowed funds that must be approved by the Planning Commission, Board of Finance, Board of Estimates, City Delegation to the Maryland General Assembly, the City Council and the voters of Baltimore. This loan package will go to referendum in November 2014 and must be approved by a majority of the voters before funds can be appropriated and expended.

Bond funds are presented for defined program purposes and the funds cannot be shifted from one program purpose to another. This fund source is secured by the full faith and credit of the City and, therefore, comprises a portion of the City's annual debt.

Bonds are issued by the Bureau of Treasury Management when the CIP projects expend their appropriation. Currently Baltimore City has an AA2 Bond rating from Moody's and AA- from Standard and Poor.

#### CONFORMITY TO PLANS

In 2013, the Board of Finance adopted a debt policy authorizing the City to issue new debt for capital projects up to a level of \$65,000,000 per year. The proposed FY 2016 and FY 2017 Bond Program conforms to the City Debt Policy and the GO Bond targets set by the Department of Finance of \$65,000,000 in FY 2016 and \$65,000,000 in FY 2017.

- Select smaller Cultural and Entertainment Capital Support
  - Bromo Arts Tower Façade Restoration \$500,000
  - Shot Tower Stairway Safety Upgrades \$100,000
  - Carroll Mansion ADA Upgrades \$250,000
  - Peale Museum Restoration \$250,000
  - Lyric Foundation, Inc. \$100,000
  - The Maryland Zoo in Baltimore \$200,000
  - Center Stage Associates, Inc. \$100,000
  - Chesapeake Shakespeare Company \$200,000
  - Baltimore Heritage Area \$200,000
  - Maryland Science Center \$300,000
  - American Visionary Arts Museum \$50,000
  - Creative Alliance \$100,000
  - B&O Railroad Museum \$200,000

**Schools**

**\$34,000,000 (over 2 years)**

Baltimore City Public Schools, the City of Baltimore, the State of Maryland, and the Maryland Stadium Authority are partnering to implement a \$1 billion initiative to renovate or replace 30-35 school buildings through a combination of other funding sources. This loan authorization will complement that investment by making critical improvements, such as fire alarms, HVAC systems, and other urgent needs that cannot be delayed until a school is replaced or renovated in the future. This loan authorization will also allow renovation and replacement of additional schools to take place, leveraging traditional State capital support through the MD Public Schools Construction Program.

Examples of potential projects:

- Graceland Park-O'Donnell Heights Replacement
- Holabird EM/MS #229 Replacement
- Systemic Improvements for roofs, windows, doors, HVAC, life safety

**National Aquarium \$800,000 (over 2 years)**

**Baltimore Museum of Art \$400,000 (over 2 years)**

**Walters Art Museum \$400,000 (over 2 years)**

**Port Discovery \$400,000 (over 2 years)**

The Planning Department recommends approval of the 2014 Loan Authorization Program for the FY 2016 & FY 2017 Bond Issues.

**Thomas J. Stosur  
Director**