


FROM	NAME & TITLE	Stephen M. Kraus, Chief, Bureau of Treasury Management	CITY of BALTIMORE MEMO	
	AGENCY NAME & ADDRESS	Bureau of Treasury Management 200 Holliday, Room 7		
	SUBJECT	CC Bill 09-0266 – County Transportation Revenue Bonds		

TO

DATE:

January 23, 2009

President and Members of the Baltimore City Council,

On behalf of the Board of Finance and the Department of Finance, we hereby recommend approval of City Council Bill No. 09-0266. This bill authorizes the Mayor and City Council of Baltimore to enter into a Participation Agreement with the Maryland Department of Transportation allowing the City to receive proceeds derived from the sale of Department of Transportation - County Transportation Revenue Bonds - Series 2009, in the aggregate principal amount not to exceed \$30,000,000.

1. State Transportation Article, Title 3, Subtitle 5 authorizes the Department of Transportation to issue bonds on behalf of the City to provide funds for the enclosed list of transportation projects. The revenue obligations will be in the form of bonds, issued by the Department of Transportation. The proceeds shall be used to finance (1) the cost of the transportation projects; (2) pay cost of issuance and administration.
2. The payment of principal and interest shall be secured by a pledge of the City's proportionate share of Highway User Revenues. Each fiscal year the Department of Transportation shall withhold, from the City's share of User Revenues, an amount equal to the debt service requirement. In addition, the Department shall administer the proceeds account and reimburse the City for costs associated with the projects.
3. The participation agreement and repayment of the Bonds shall be a revenue obligation of the City, and is not secured by the full faith and credit of the Mayor and City Council of Baltimore, the State of Maryland, or any other political subdivision of the State of Maryland.
4. The bill does not conflict with existing state or federal laws or regulations.



 Stephen M. Kraus, Chief
 Bureau of Treasury Management

