

Introduced by: The Council President
At the request of: The Administration (Department of Planning)

Prepared by: Department of Legislative Reference **Date:** March 22, 2018

Referred to: TAXATION, FINANCE & ECONOMIC DEVELOPMENT Committee

Also referred for recommendation and report to municipal agencies listed on reverse.

CITY COUNCIL 18 - 0212

A BILL ENTITLED

AN ORDINANCE concerning

Bond Issue - School Loan - \$38,000,000

FOR the purpose of authorizing the Mayor and City Council of Baltimore (pursuant to General Assembly House Resolution II and Senate Resolution IV of 2018 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 \$38,000,000 from the sale of such certificates of indebtedness to be used for the cost of issuance, including the expense of engraving, printing, advertising, attorneys' fees, and all other incidental expenses connected therewith (which may include the proportion of the compensation of employees and general administrative expenses of the Department of Finance reasonably allocated to the issuance of the bonds); and the remainder of such proceeds shall be used for the acquisition, by purchase, lease, condemnation or any other legal means, of land or property, or any rights therein, in the City of Baltimore, and demolishing, constructing and erecting on said land or property, or on any land or property now or hereafter owned by the Baltimore City Board of School Commissioners and/or the Mayor and City Council of Baltimore, new school buildings, athletic and other auxiliary facilities including community health and recreation facilities, and for additions and improvements to, or the modernization or reconstruction of, including the inspection, removal, encapsulation, management, containment and abatement of asbestos from existing facilities, and for equipment for any and all new or existing facilities authorized to be constructed, erected, added, improved, modernized or reconstructed by the provisions hereof; the payment of any and all costs and expenses incurred for or in connection with

No. _____

****The introduction of an Ordinance or Resolution by Councilmembers at the request of any person, firm or organization is a courtesy extended by the Councilmembers and not an indication of their position.**

Agencies

- Baltimore City Public School System
- Baltimore Development Corporation
- City Solicitor
- Comptroller's Office
- Department of Audits
- Department of Finance
- Department of General Services
- Department of Housing and Community Development
- Department of Human Resources
- Department of Planning
- Other: _____
- Other: _____
- Other: _____
- Department of Public Works
- Department of Real Estate
- Department of Recreation and Parks
- Department of Transportation
- Fire Department
- Health Department
- Mayor's Office of Employment Development
- Mayor's Office of Human Services
- Mayor's Office of Information Technology
- Office of the Mayor
- Police Department
- Other: _____
- Other: _____

Boards and Commissions

- Board of Estimates
- Board of Ethics
- Board of Municipal and Zoning Appeals
- Comm. for Historical and Architectural Preservation
- Commission on Sustainability
- Employees' Retirement System
- Other: _____
- Other: _____
- Other: _____
- Environmental Control Board
- Fire & Police Employees' Retirement System
- Labor Commissioner
- Parking Authority Board
- Planning Commission
- Wage Commission
- Other: _____
- Other: _____
- Other: _____

doing any or all of the things herein mentioned, including, but not limited to, the costs and expenses of securing administrative, appraisal, economic analysis, engineering, planning, designing, architectural, surveying, and other professional services, including, without limitation, services relating to planning for future projects of the same general character which may be constructed out of future loans; and for doing any and all things necessary, proper or expedient in connection with or pertaining to any or all of the matters or things hereinbefore mentioned; authorizing the issuance of refunding bonds; conferring certain powers upon the Baltimore City Board of School Commissioners; imposing certain conditions in connection with the expenditure of the proceeds derived from the sale of said certificates of indebtedness; conferring and imposing upon the Board of Finance of Baltimore City certain powers and duties; authorizing the submission of this Ordinance to the legal voters of the City of Baltimore, for their approval or disapproval, at the Election to be held on Tuesday, the 6th day of November, 2018, and providing for the expenditure of the proceeds of sale of said certificates of indebtedness in accordance with the provisions of the Charter of the Mayor and City Council of Baltimore, and by the municipal agency designated in the annual Ordinance of Estimates of the Mayor and City Council of Baltimore.



CITY OF BALTIMORE
ORDINANCE **18-145**
Council Bill 18-0212

Introduced by: The Council President
At the request of: The Administration (Department of Planning)
Introduced and read first time: March 26, 2018
Assigned to: Taxation, Finance and Economic Development Committee
Committee Report: Favorable
Council action: Adopted
Read second time: June 4, 2018

AN ORDINANCE CONCERNING

Bond Issue - School Loan - \$38,000,000

1
2 FOR the purpose of authorizing the Mayor and City Council of Baltimore (pursuant to General
3 Assembly House Resolution II and Senate Resolution IV of 2018 approved by the members
4 of the Maryland General Assembly representing Baltimore City) to create a debt, and to issue
5 and sell, at any time or from time to time and in one or more series its certificates of
6 indebtedness as evidence thereof, and proceeds not exceeding \$38,000,000 from the sale of
7 such certificates of indebtedness to be used for the cost of issuance, including the expense of
8 engraving, printing, advertising, attorneys' fees, and all other incidental expenses connected
9 therewith (which may include the proportion of the compensation of employees and general
10 administrative expenses of the Department of Finance reasonably allocated to the issuance of
11 the bonds); and the remainder of such proceeds shall be used for the acquisition, by purchase,
12 lease, condemnation or any other legal means, of land or property, or any rights therein, in the
13 City of Baltimore, and demolishing, constructing and erecting on said land or property, or on
14 any land or property now or hereafter owned by the Baltimore City Board of School
15 Commissioners and/or the Mayor and City Council of Baltimore, new school buildings,
16 athletic and other auxiliary facilities including community health and recreation facilities, and
17 for additions and improvements to, or the modernization or reconstruction of, including the
18 inspection, removal, encapsulation, management, containment and abatement of asbestos
19 from existing facilities, and for equipment for any and all new or existing facilities authorized
20 to be constructed, erected, added, improved, modernized or reconstructed by the provisions
21 hereof; the payment of any and all costs and expenses incurred for or in connection with
22 doing any or all of the things herein mentioned, including, but not limited to, the costs and
23 expenses of securing administrative, appraisal, economic analysis, engineering, planning,
24 designing, architectural, surveying, and other professional services, including, without
25 limitation, services relating to planning for future projects of the same general character
26 which may be constructed out of future loans; and for doing any and all things necessary,
27 proper or expedient in connection with or pertaining to any or all of the matters or things
28 hereinbefore mentioned; authorizing the issuance of refunding bonds; conferring certain
29 powers upon the Baltimore City Board of School Commissioners; imposing certain
30 conditions in connection with the expenditure of the proceeds derived from the sale of said
31 certificates of indebtedness; conferring and imposing upon the Board of Finance of Baltimore

EXPLANATION: CAPITALS indicate matter added to existing law.
[Brackets] indicate matter deleted from existing law.
Underlining indicates matter added to the bill by amendment.
~~Strike-out~~ indicates matter stricken from the bill by
amendment or deleted from existing law by amendment.

Council Bill 18-0212

1 City certain powers and duties; authorizing the submission of this Ordinance to the legal
2 voters of the City of Baltimore, for their approval or disapproval, at the Election to be held on
3 Tuesday, the 6th day of November, 2018, and providing for the expenditure of the proceeds of
4 sale of said certificates of indebtedness in accordance with the provisions of the Charter of
5 the Mayor and City Council of Baltimore, and by the municipal agency designated in the
6 annual Ordinance of Estimates of the Mayor and City Council of Baltimore.

7 **WHEREAS**, By General Assembly House Resolution II and Senate Resolution IV of 2018,
8 approved by the members of the Maryland General Assembly representing Baltimore City, the
9 Mayor and City Council is authorized to create a debt and to issue and sell its certificates of
10 indebtedness (hereinafter called "bonds") as evidence thereof, and proceeds not exceeding
11 \$38,000,000 from the sale of such bonds to be used for school purposes as authorized by said
12 Resolution; and

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

14 **SECTION 1. BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE**, That the
15 Mayor and City Council of Baltimore, acting by and through the Board of Finance of said
16 municipality, be and it is hereby authorized and empowered to create a debt and to issue and sell
17 bonds of the Mayor and City Council of Baltimore from time to time, as may be needed or
18 required for the purposes hereinafter named and said bonds shall be sold by the Board of Finance
19 from time to time and at such times as shall be requisite, and proceeds not exceeding
20 \$38,000,000, from the sale of such bonds shall be used for the purposes hereinafter named,
21 provided that this Ordinance shall not become effective unless it shall be approved by a majority
22 of the votes of the legal voters of Baltimore City cast at the time and place hereinafter designated
23 by this Ordinance.

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

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

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

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

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

39 (a) The amount of debt to be incurred by the Mayor and City Council of Baltimore at any
40 particular time, and from time to time, under and pursuant to the provisions of this Ordinance;
41 the date or dates when any bonds representing said debt, or any part thereof, are to mature, and

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1 the amount or amounts of said debt, or any part thereof, which shall mature upon the aforesaid
2 date or dates; and the date or dates in each year, during the entire period of time when any of said
3 bonds are outstanding, when interest on any of said bonds shall be payable;

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

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

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

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

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

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

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

35 **SECTION 6. AND BE IT FURTHER ORDAINED, That** this Ordinance shall be submitted to the
36 legal voters of the City of Baltimore, for their approval or disapproval, at the General Election to
37 be held in Baltimore City, on Tuesday, the 6th day of November, 2018.

38 **SECTION 7. AND BE IT FURTHER ORDAINED, That** prior to the date of the election
39 hereinbefore mentioned, notice shall be given to the public of the amount of money which the
40 Mayor and City Council of Baltimore is authorized to borrow, and the general purposes for
41 which such borrowed funds may be expended, under the terms and provisions of this Ordinance,

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1 and the time when the election hereinbefore mentioned is to be held; and such public notice shall
2 be given in such manner and by such means or through such media and at such time or times as
3 may be determined, from time to time, by a majority of the Board of Finance.

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

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

12 (b) The remainder of such proceeds shall be used for the acquisition, by purchase, lease,
13 condemnation or any other legal means, of land or property, or any rights therein, in the City of
14 Baltimore, and demolishing, constructing and erecting on said land or property, or on any land or
15 property now or hereafter owned by the Baltimore City Board of School Commissioners and/or
16 the Mayor and City Council of Baltimore, new school buildings, athletic and other auxiliary
17 facilities including community health and recreation facilities, and for additions and
18 improvements to, or the modernization or reconstruction of, including the inspection, removal,
19 encapsulation, management, containment and abatement of asbestos from existing school
20 buildings or facilities, and for equipment for any and all new or existing facilities authorized to
21 be constructed, erected, added to, improved, modernized or reconstructed by the provisions
22 hereof; the payment of any and all costs and expenses incurred for or in connection with doing
23 any or all of the things herein mentioned, including, but not limited to, the costs and expenses of
24 securing administrative, appraisal, economic analysis, engineering, planning, designing,
25 architectural, surveying, and other professional services, including, without limitation, services
26 relating to planning for future projects of the same general character which may be constructed
27 out of future loans; and for or in connection with or pertaining to any or all of the matters or
28 things hereinbefore mentioned.

29 **SECTION 9. AND BE IT FURTHER ORDAINED,** That:

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

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

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

5 (2) Debt restructuring that:

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

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

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

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

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

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

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

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

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

4 SECTION 10. AND BE IT FURTHER ORDAINED, That in the expenditure of the proceeds of sale
5 of said bonds, the Mayor and City Council of Baltimore shall observe the following conditions:


6 (a) Subject to the provisions of the Charter of Baltimore City relating to the Planning
7 Commission, the Baltimore City Board of School Commissioners, shall have the authority to
8 select sites for the construction of any new school buildings hereby authorized;

9 (b) All plans and specifications for the construction or reconstruction of school buildings,
10 or for additions or improvement to school buildings, to be financed out of the proceeds derived
11 from the sale of the bonds herein authorized to be issued, shall be subject to the approval of the
12 Baltimore City Board of School Commissioners prior to the final acceptance of such plans and
13 specifications, and the endorsement of approval by the Board of such plans and specifications
14 shall be made thereon, and shall also be recorded by the Board in its official minutes;

15 (c) All changes in approved plans and specifications which may be found necessary and
16 expedient during the course of construction shall also be subject to the approval of the Baltimore
17 City Board of School Commissioners, and shall also be recorded by the Board in its official
18 minutes; and

19 (d) No part of the proceeds derived from the sale of the bonds hereby authorized to be
20 issued shall be expended without the approval of the Baltimore City Board of School
21 Commissioners.

Certified as duly passed this _____ day of JUN 07 2018



President, Baltimore City Council

Certified as duly delivered to Her Honor, the Mayor,

this _____ day of JUN 07 2018



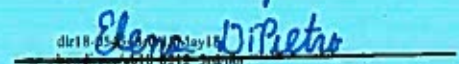
Chief Clerk

Approved this 20 day of June, 2018



Mayor, Baltimore City

Approved For Form and Legal Sufficiency
This 19th Day of June 2018



Chief Solicitor

BALTIMORE CITY COUNCIL

TAXATION, FINANCE AND ECONOMIC DEVELOPMENT

VOTING RECORD

DATE: 5/17/2018

BILL#: 18-0212

BILL TITLE: Bond Issue – School Loan - \$38,000,000


MOTION BY: Costello SECONDED BY: Reisinger

- | | |
|---|--|
| <input checked="" type="checkbox"/> FAVORABLE | <input type="checkbox"/> FAVORABLE WITH AMENDMENTS |
| <input type="checkbox"/> UNFAVORABLE | <input type="checkbox"/> WITHOUT RECOMMENDATION |

NAME	YEAS	NAYS	ABSENT	ABSTAIN
Middleton, Sharon, Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pinkett, Leon, Vice Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Costello, Eric	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reisinger, Edward	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Stokes, Robert	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
TOTALS	<u>5</u>			

CHAIRPERSON: Sharon Middleton

COMMITTEE STAFF: Samuel Johnson, Initials: SL

F R O M	Name & Title	Dr. Leana Wen, Commissioner <i>Leana Wen</i>	Health Department AGENCY REPORT	
	Agency Name & Address	Health Department 1001 E. Fayette Street Baltimore, Maryland 21201		
	Subject	18-0212 – Bond Issue - School Loan - \$38,000,000		

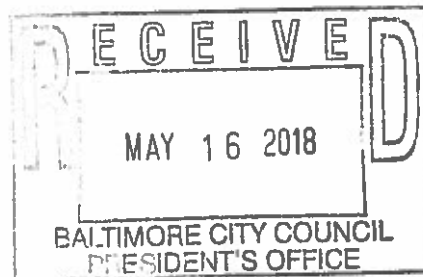
**To: President and Members
of the City Council
c/o 409 City Hall**

May 17, 2018

The Baltimore City Health Department (BCHD) is pleased to have the opportunity to review #18-0212 – Bond Issue - School Loan - \$38,000,000. The purpose of this legislation is to allow for a municipal bond issuance of \$38,000,000 for constructing and renovating school buildings, along with athletic and other auxiliary facilities.

BCHD encourages the renovation and construction of Baltimore City public school facilities. The Baltimore City Public School System contracts with BCHD's School Health program to operate school health suites, which care for 84,000 students in more than 200 schools.¹ Additionally, BCHD operates school-based health centers at eight different campuses, providing extensive primary care services from immunizations to physicals.²

Improved school facilities will assist BCHD in delivering care to Baltimore City's public school students. For this reason, the Health Department urges a favorable report on Council Bill #18-0212.



¹ <https://health.baltimorecity.gov/node/78>

² <https://health.baltimorecity.gov/school-health/school-based-health-centers>

F

TJS

FROM	NAME & TITLE	THOMAS J. STOSUR, DIRECTOR	CITY of BALTIMORE MEMO	
	AGENCY NAME & ADDRESS	DEPARTMENT OF PLANNING 8 TH FLOOR, 417 EAST FAYETTE STREET		
	SUBJECT	CITY COUNCIL BILL #18-0212 / BOND ISSUE – SCHOOL LOAN – \$38,000,000		

TO

DATE: May 11, 2018

The Honorable President and
 Members of the City Council
 City Hall, Room 400
 100 North Holliday Street

At its regular meeting of May 10, 2018, the Planning Commission considered City Council Bill #18-0212, for the purpose of authorizing the Mayor and City Council of Baltimore (pursuant to General Assembly House Resolution II and Senate Resolution IV of 2018 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 \$38,000,000 from the sale of such certificates of indebtedness to be used for the cost of issuance, including the expense of engraving, printing, advertising, attorneys' fees, and all other incidental expenses connected therewith ...

In its consideration of this Bill, the Planning Commission reviewed City Council Bill #18-0212 and its Departmental staff's recommendation for approval, finds this Bill to be compatible with its prior recommendations for the annual Capital Improvement Program, and therefore adopted the following resolution; seven members being present (seven in favor):

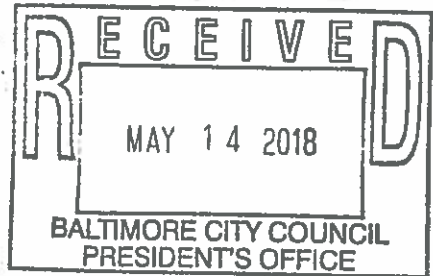
RESOLVED, That the Planning Commission concurs with the recommendation of its departmental staff, and recommends that City Council Bill #18-0212 be passed by the City Council.

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

TJS/ewt

- cc: Mr. Pete Hammen, Chief Operating Officer
- Mr. Jim Smith, Chief of Strategic Alliances
- Ms. Karen Stokes, Mayor's Office
- Mr. Colin Tarbert, Mayor's Office
- Mr. Kyron Banks, Mayor's Office
- The Honorable Edward Reisinger, Council Rep. to Planning Commission
- Mr. William H. Cole IV, BDC
- Mr. Derek Baumgardner, BMZA
- Mr. Geoffrey Veale, Zoning Administration
- Ms. Sharon Daboin, DHCD
- Ms. Elena DiPietro, Law Dept.
- Mr. Francis Burnszynski, PABC
- Ms. Katelyn McCauley, DOT
- Ms. Natawna Austin, Council Services

Favorable



The Baltimore City Department of
HOUSING & COMMUNITY
DEVELOPMENT

MEMORANDUM

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

From: Michael Braverman, Housing Commissioner 

Date: May 10, 2018

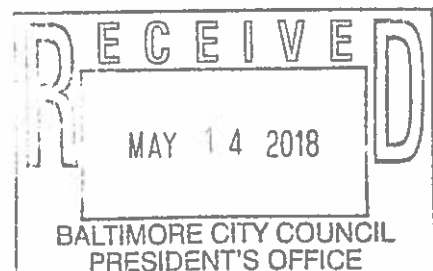
Re: City Council Bill 18-0212 - Bond Issue - School Loan - \$38,000,000

The Department of Housing and Community Development (HCD) has reviewed City Council Bill 18-0212 to issues bonds not exceeding \$38,000,000 to be used for or in connection with demolishing, constructing new school buildings, athletic and other auxiliary facilities including community health and recreation facility and for additions and improvement to, or the modernization or reconstruction of existing facilities.

Availability of these funds would help improve the learning environment for Baltimore City schoolchildren and provide a community assist for many City neighborhoods. The Department of Housing and Community Development supports and strongly encourages the passage of City Council Bill 18-0212.

MB:sd

cc: Ms. Karen Stokes, *Mayor's Office of Government Relations*
Mr. Kyron Banks, *Mayor's Office of Government Relations*





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CITY OF BALTIMORE

CATHERINE F. PUGH, Mayor



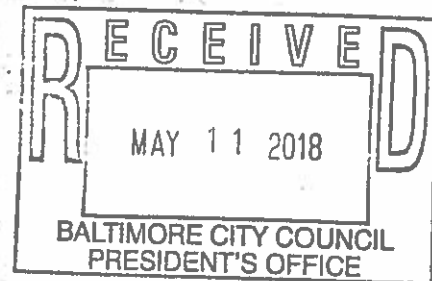
DEPARTMENT OF LAW

ANDRE M. DAVIS, City Solicitor
101 City Hall
Baltimore, Maryland 21202

May 11, 2018

The Honorable President and Members
of the Baltimore City Council
Attn: Natwana Austin, Executive Secretary
Room 409, City Hall
100 N. Holliday Street
Baltimore, Maryland 21202

Favorable



Re: City Council Bill 18-0212 – Bond Issue – School Loan - \$38,000,000.

Dear President and City Council Members:

The Law Department has reviewed City Council Bill 18-0212 (Bond Issue – School Loan - \$38,000,000) for form and legal sufficiency. The bill would authorize the Mayor and City Council to create a debt not exceeding \$38,000,000 (the “Debt”). The bill would authorize the Mayor and City Council to create a debt not exceeding \$38,000,000 (the “Debt”) for the purpose of the acquisition, by purchase, lease, condemnation or any other legal means, of land or property, or any rights therein, in the City of Baltimore, and demolishing, constructing and erecting on said land or property, or on any land or property now or hereafter owned by the Baltimore City Board of School Commissioners and/or the Mayor and City Council of Baltimore, new school buildings, athletic and other auxiliary facilities including community health and recreation facilities, and for additions and improvements to, or the modernization or reconstruction of, including the inspection, removal, encapsulation, management, containment and abatement of asbestos from existing facilities, and for equipment for any and all new or existing facilities authorized by the provisions of this bill and for doing any and all things necessary, proper or expedient in connection with or pertaining to any or all of the matters or things hereinbefore mentioned.

The intent of the bill is to ensure that the Debt is created as a general obligation of the City, pursuant to Section 7 of Article XI of the Constitution of Maryland. The bill also contains provisions concerning the use of the funds, the issuance of the bonds, and other matters. After approval by the Mayor and City Council, the ordinance will be presented to the voters for approval on November 6, 2018.


City Council Bill 18-0211
May 11, 2018
Page 2

The Law Department approves Council Bill 18-0212 for form and legal sufficiency.

Sincerely, *elm*
Elena R. DiPietro
Elena R. DiPietro
Chief Solicitor

cc: Andre M. Davis, City Solicitor
Karen Stokes, Director, MOGR
Kyron Banks, Mayor's City Council Liaison
Hilary Ruley, Chief Solicitor
Victor Tervalá, Chief Solicitor
Ashlea Brown, Assistant Solicitor
Avery Aisenstark



FROM	NAME & TITLE	Reginald Moore, Director of Recreation & Parks <i>WEV</i>	CITY of BALTIMORE MEMO	
	AGENCY NAME & ADDRESS	Department of Recreation and Parks 3001 East Drive - Baltimore, Maryland 21217		
	SUBJECT	City Council Bill #18-0212 Bond Issue		

TO

DATE:

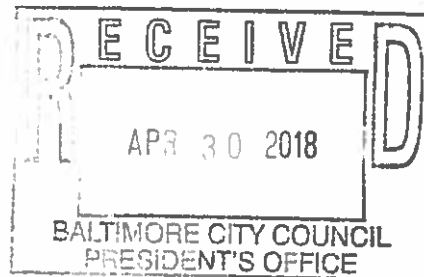
April 27, 2018

Honorable President and
Members of the City Council

As proposed, City Council Bill 18-0212 authorizes the Mayor and City Council to create a debt not exceeding \$38,000,000 for the purpose of acquisition, purchase, lease, demolishing and construction on land owned by the Baltimore City Board of School Commissioners and the Mayor and City Council.


The Department of Recreation & Parks recommends approval of City Council Bill #18-0212.

cc: Henry Raymond
Kyron Banks



A

Jenn

FROM	NAME & TITLE	Jennell A. Rogers, Chief	CITY of BALTIMORE MEMO	
	AGENCY NAME & ADDRESS	Bureau of Treasury Management 200 Holliday Street, Room 7		
	SUBJECT	City Council Bill #18-0212 Bond Issue – School Loan \$38,000,000		

TO

DATE: April 25, 2018

The Honorable President and
Members of the City Council
Room 409 City Hall

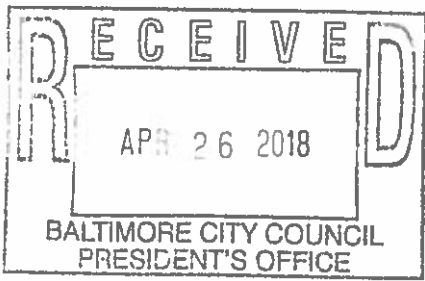
As proposed, City Council Bill 18-0212 would authorize the Mayor and City Council to create a debt not exceeding \$38,000,000, (“the Debt”) for the purpose of improving Baltimore City school facilities, building and equipment.

The intent of this bill is to ensure that the Debt is created as a general obligation of the City pursuant to Section 7 of Article XI of the Constitution of Maryland.

The Department of Finance recommends approval of City Council Bill #18-0212.

cc: Henry Raymond
Kyron Banks


F





MEMORANDUM

TO: Honorable President and Members of the City Council
Attention: Natawna Austin, Executive Secretary

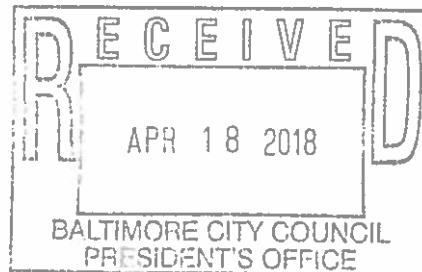
FROM: William H. Cole, President and CEO 

DATE: April 16, 2018

SUBJECT: Council Bill No. 18-0212
Bond Issue – School Loan - \$38,000,000

The Baltimore Development Corporation (BDC) has been asked to comment on City Council Bill 18-0212, for the purpose of authorizing the issuance of up to \$38,000,000 in bonds for the Baltimore City Public School System. By providing funding to improve City schools, this bill can meet an important need for many Baltimore residents and communities and attract new investment into Baltimore City. BDC recommends favorable consideration is given to Bill No. 18-0212.

cc: Kyron Banks



City of Baltimore

City Council
City Hall, Room 408
100 North Holliday Street
Baltimore, Maryland
21202

Meeting Minutes - Final

Taxation, Finance and Economic Development Committee

Thursday, May 17, 2018

10:15 AM

Du Burns Council Chamber, 4th floor, City Hall

18-0212

CALL TO ORDER

INTRODUCTIONS

ATTENDANCE

Present 5 - Member Sharon Green Middleton, Member Leon F. Pinkett III, Member Eric T. Costello, Member Edward Reisinger, and Member Robert Stokes Sr.

ITEMS SCHEDULED FOR PUBLIC HEARING

18-0212

Bond Issue - School Loan - \$38,000,000

For the purpose of authorizing the Mayor and City Council of Baltimore (pursuant to General

Assembly House Resolution II and Senate Resolution IV of 2018 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 \$38,000,000 from the sale of such certificates of indebtedness to be used for the cost of issuance, including the expense of engraving, printing, advertising, attorneys' fees, and all other incidental expenses connected therewith (which may include the proportion of the compensation of employees and general administrative expenses of the Department of Finance reasonably allocated to the issuance of the bonds); and the remainder of such proceeds shall be used for the acquisition, by purchase, lease, condemnation or any other legal means, of land or property, or any rights therein, in the City of Baltimore, and demolishing, constructing and erecting on said land or property, or on any land or property now or hereafter owned by the Baltimore City Board of School Commissioners and/or the Mayor and City Council of Baltimore, new school buildings, athletic and other auxiliary facilities including community health and recreation facilities, and for additions and improvements to, or the modernization or reconstruction of, including the inspection, removal, encapsulation, management, containment and abatement of asbestos from existing facilities, and for equipment for any and all new or existing facilities authorized to be constructed, erected, added, improved, modernized or reconstructed by the provisions hereof; the payment of any and all costs and expenses incurred for or in connection with doing any or all of the things herein mentioned, including, but not limited to, the costs and expenses of securing administrative, appraisal, economic analysis, engineering, planning, designing, architectural, surveying, and other professional services, including, without limitation, services relating to planning for future projects of the same general character which may be constructed out of future loans; and for doing any and all things necessary, proper or expedient in connection with or pertaining to any or all of the matters or things hereinbefore mentioned; authorizing the issuance of refunding bonds; conferring certain powers upon the Baltimore City Board of School Commissioners; imposing certain conditions in connection with the expenditure of the proceeds derived from the sale of said certificates of indebtedness; conferring and imposing upon the Board of Finance of Baltimore City certain powers and duties; authorizing the submission of this Ordinance to the legal voters of the City of Baltimore, for their approval or disapproval, at the Election to be held on Tuesday, the 6th day of November, 2018, and providing for the expenditure of the proceeds of sale of said certificates of indebtedness in accordance with the provisions of the Charter of the Mayor and City Council of Baltimore, and by the municipal agency designated in the annual Ordinance of Estimates of the Mayor and City Council of Baltimore.

Sponsors: City Council President (Administration)

A motion was made by Member Costello, seconded by Member Reisinger, that bill 18-0212 be recommended favorably. The motion carried by the following vote:

Yes: 5 - Member Middleton, Member Pinkett III, Member Costello, Member Reisinger, and Member Stokes Sr.

ADJOURNMENT

THIS MEETING IS OPEN TO THE PUBLIC



HEARING NOTES

Bill: 18-0212

Bond Issue – School Loan - \$38,000,000

Committee: Taxation, Finance and Economic Development

Chaired By: Councilwoman Sharon Green Middleton

Hearing Date: May 17, 2018

Time (Beginning): 10:45a.m.

Time (Ending): 10:50a.m.

Location: Clarence "Du" Burns Chamber

Attendance: 25

Committee Members in Attendance:

Sharon Green Middleton, Committee Chair

Leon Pinkett, Committee Vice Chair

Eric Costello

Edward Reisinger

Robert Stokes

Bill Synopsis in the file?	<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> N/A
Attendance sheet in the file?	<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> N/A
Agency reports read?	<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> N/A
Hearing televised or audio-taped?	<input type="checkbox"/> YES	<input checked="" type="checkbox"/> NO	<input type="checkbox"/> N/A
Certification of advertising/posting notices in the file?	<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input checked="" type="checkbox"/> N/A
Evidence of notification to property owners?	<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input checked="" type="checkbox"/> N/A
Final vote taken at this hearing?	<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> N/A
Motioned by:	Councilmember Costello		
Seconded by:	Councilmember Reisinger		
Final Vote:	5-0 Favorable		

Major Speakers

(This is not an attendance record.)

Major Issues Discussed

1. Councilwoman Middleton read the bill into the record and introduced agency representatives.
2. Councilwoman Middleton opened up the floor for agency reports. All agencies stood by their reports as favorable.

CITY OF BALTIMORE

CATHERINE E. PUGH, Mayor



OFFICE OF COUNCIL SERVICES

LARRY E. GREENE, Director
415 City Hall, 100 N. Holliday Street
Baltimore, Maryland 21202
410-396-7215 / Fax: 410-545-7596
email: larry.greene@baltimorecity.gov

3. Ms. Sarah Paranilam from the Department of Planning spoke on the Capital Improvement Projects that the School Loan would be used to complete. Examples of potential projects include:

- Graceland Park – O’Donnell Heights Replacement
- Holabird Elementary/Middle School #229 Replacement
- Armistead Gardens Renovation
- Systemic Improvements for roofs, windows, doors, HVAC, Life Safety
- Qualified Zone Academy Bond (QZAB) projects
- Programmatic space upgrades

4. Councilwoman Middleton opened up the floor for members of the committee to ask the agency representatives any questions. There were no questions asked by the committee members.

5. Councilwoman Middleton then took a vote on Bill 18-0212 and it passed 5-0 and is scheduled to be heard at the City Council meeting on June 4, 2018.

Further Study

Was further study requested?

YES NO

If yes, describe.

Samuel Johnson, Committee Staff
(410) 396-1091

Date: 05/18/2018

cc: Bill File
OCS Chrono File



**CITY OF BALTIMORE
CITY COUNCIL HEARING ATTENDANCE RECORD**

Committee: * Taxation, Finance and Economic Development **Chairperson:** * Sharon Green-Middleton
Date: May 17, 2018 **Time:** 10:15am **Place:** * Clarence "Du" Burns Chambers
Subject: * - Bond Issue – School Loan - \$38,000,000 **CC Bill Number:** 18-0212

PLEASE PRINT

IF YOU WANT TO TESTIFY PLEASE CHECK HERE



FIRST NAME	LAST NAME	ST. #	ADDRESS/ORGANIZATION NAME	ZIP	EMAIL ADDRESS	TESTIFY	FOR	AGAINST	YES	NO
John	Doe	100	North Charles Street	21202	Johndoenbmore@yahoo.com	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

(*) NOTE: IF YOU ARE COMPENSATED OR INCUR EXPENSES IN CONNECTION WITH THIS BILL, YOU MAY BE REQUIRED BY LAW TO REGISTER WITH THE CITY ETHICS BOARD. REGISTRATION IS A SIMPLE PROCESS. FOR INFORMATION AND FORMS, CALL OR WRITE: BALTIMORE CITY BOARD OF ETHICS, C/O DEPARTMENT OF LEGISLATIVE REFERENCE, 626 CITY HALL, BALTIMORE, MD 21202. TEL: 410-396-4730. FAX: 410-396-8483.

City of Baltimore

City Council
City Hall, Room 408
100 North Holliday Street
Baltimore, Maryland
21202

Meeting Agenda - Final

Taxation, Finance and Economic Development Committee

Thursday, May 17, 2018

10:15 AM

Du Burns Council Chamber, 4th floor, City Hall

18-0212

CALL TO ORDER

INTRODUCTIONS

ATTENDANCE

ITEMS SCHEDULED FOR PUBLIC HEARING

18-0212

Bond Issue - School Loan - \$38,000,000

For the purpose of authorizing the Mayor and City Council of Baltimore (pursuant to General Assembly House Resolution II and Senate Resolution IV of 2018 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 \$38,000,000 from the sale of such certificates of indebtedness to be used for the cost of issuance, including the expense of engraving, printing, advertising, attorneys' fees, and all other incidental expenses connected therewith (which may include the proportion of the compensation of employees and general administrative expenses of the Department of Finance reasonably allocated to the issuance of the bonds); and the remainder of such proceeds shall be used for the acquisition, by purchase, lease, condemnation or any other legal means, of land or property, or any rights therein, in the City of Baltimore, and demolishing, constructing and erecting on said land or property, or on any land or property now or hereafter owned by the Baltimore City Board of School Commissioners and/or the Mayor and City Council of Baltimore, new school buildings, athletic and other auxiliary facilities including community health and recreation facilities, and for additions and improvements to, or the modernization or reconstruction of, including the inspection, removal, encapsulation, management, containment and abatement of asbestos from existing facilities, and for equipment for any and all new or existing facilities authorized to be constructed, erected, added, improved, modernized or reconstructed by the provisions hereof; the payment of any and all costs and expenses incurred for or in connection with doing any or all of the things herein mentioned, including, but not limited to, the costs and expenses of securing administrative, appraisal, economic analysis, engineering, planning, designing, architectural, surveying, and other professional services, including, without limitation, services relating to planning for future projects of the same general character which may be constructed out of future loans; and for doing any and all things necessary, proper or expedient in connection with or pertaining to any or all of the matters or things hereinbefore mentioned; authorizing the issuance of refunding bonds; conferring certain powers upon the Baltimore City Board of School Commissioners; imposing certain conditions in connection with the expenditure of the proceeds derived from the sale of said certificates of indebtedness; conferring and imposing upon the Board of Finance of Baltimore City certain powers and duties; authorizing the submission of this Ordinance to the legal voters of the City of Baltimore, for their approval or disapproval, at the Election to be held on Tuesday, the 6th day of November, 2018, and providing for the expenditure of the proceeds of sale of said certificates of indebtedness in accordance with the provisions of the Charter of the Mayor and City Council of

Baltimore, and by the municipal agency designated in the annual Ordinance of Estimates of the Mayor and City Council of Baltimore.

Sponsors: City Council President (Administration)

Attachments: [18-0212~1st Reader](#)

[BDC 18-0212](#)

[Finance 18-0212](#)

[Rec and Parks 18-0212](#)

[Law 18-0212](#)

[HCD 18-0212](#)

[Planning 18-0212](#)

ADJOURNMENT

THIS MEETING IS OPEN TO THE PUBLIC



BALTIMORE CITY COUNCIL TAXATION, FINANCE AND ECONOMIC DEVELOPMENT COMMITTEE

Mission Statement

On behalf of the Citizens of Baltimore City, the mission of the Taxation, Finance and Economic Development Committee of the Baltimore City Council is to legislate policy that will deter unnecessary tax burdens while seeking and supporting projects and initiatives that will generate and increase our tax base. Reviewing and considering financing tools that impact the retention and sustainability of our economic base is essential. Introducing and enhancing legislation that perpetuates equal access to economic development for African Americans/Minorities/Women and other members of our community that will result in an improved quality of life for all citizens of Baltimore is a critical component of Baltimore's success.

**The Honorable Sharon Green Middleton
Chairman**

PUBLIC HEARING

**Thursday, May 17, 2018
10:15 AM**

CLARENCE "DU" BURNS COUNCIL CHAMBERS

***City Council Bill 18-0212
Bond Issue - School Loan - \$38,000,000***

CITY COUNCIL COMMITTEES

BUDGET AND APPROPRIATIONS

Eric Costello – Chair
Leon Pinkett – Vice Chair
Bill Henry
Sharon Green Middleton
Brandon M. Scott
Isaac “Yitzy” Schleifer
Shannon Sneed
Staff: Marguerite Currin

EDUCATION AND YOUTH

Zeke Cohen – Chair
Mary Pat Clarke – Vice Chair
John Bullock
Kristerfer Burnett
Ryan Dorsey
Staff: Matthew Peters

EXECUTIVE APPOINTMENTS

Robert Stokes – Chair
Kristerfer Burnett – Vice Chair
Mary Pat Clarke
Zeke Cohen
Isaac “Yitzy” Schleifer
Staff: Marguerite Currin

HOUSING AND URBAN AFFAIRS

John Bullock – Chair
Isaac “Yitzy” Schleifer – Vice Chair
Kristerfer Burnett
Bill Henry
Shannon Sneed
Zeke Cohen
Ryan Dorsey
Staff: Richard Krummerich

JUDICIARY AND LEGISLATIVE INVESTIGATIONS

Eric Costello – Chair
Mary Pat Clarke – Vice Chair
John Bullock
Leon Pinkett
Edward Reisinger
Brandon Scott
Robert Stokes
Staff: Matthew Peters

LABOR

Shannon Sneed – Chair
Robert Stokes – Vice Chair
Eric Costello
Bill Henry
Mary Pat Clarke
Staff: Samuel Johnson

LAND USE AND TRANSPORTATION

Edward Reisinger – Chair
Sharon Green Middleton – Vice Chair
Mary Pat Clarke
Eric Costello
Ryan Dorsey
Leon Pinkett
Robert Stokes
Staff: Jennifer Coates

PUBLIC SAFETY

Brandon Scott – Chair
Ryan Dorsey – Vice Chair
Kristerfer Burnett
Shannon Sneed
Zeke Cohen
Leon Pinkett
Isaac “Yitzy” Schleifer
Staff: Richard Krummerich

TAXATION, FINANCE AND ECONOMIC DEVELOPMENT

Sharon Green Middleton – Chair
Leon Pinkett – Vice Chair
Eric Costello
Edward Reisinger
Robert Stokes
Staff: Samuel Johnson
- Larry Greene (pension only)



BILL SYNOPSIS

Committee: Taxation, Finance and Economic Development

Bill 18-0212

Bond Issue – School Loan - \$38,000,000

Sponsor: *President Young (The Administration) * Department of Planning*
Introduced: *March 26, 2018*

Purpose:

For the purpose of authorizing the Mayor and City Council of Baltimore (pursuant to General Assembly House Resolution II and Senate Resolution IV of 2018 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 \$38,000,000 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 6, 2018)

Hearing Date/Time/Location: May 17, 2018 / 10:15 a.m. / Clarence "Du" Burns Chamber

Agency Reports

City Solicitor	Favorable
Department of Recreation and Parks	Favorable
Health Department	Favorable
Baltimore City Public Schools	
Baltimore Development Corporation	Favorable
Planning Commission	Favorable
Department of Housing and Community Development	Favorable
Department of Finance	Favorable

Analysis

Current Law:

Pursuant to House Resolution II and Senate Resolution IV of 2018 approved by the members of the Maryland General Assembly representing Baltimore City.

Bond Issue – School Loan - \$38,000,000

In 2016, voters approved the School Loan in the amount of \$17 million per year for fiscal years 2018 and 2019. These funds are intended to complement the current 21st Century Schools initiative by providing funding for large-scale maintenance improvements and a few new school construction projects.

Background

In Fiscal 1992 and 1993, the Maryland General Assembly enacted legislation (Section 7 of Article XI of the Constitution of Maryland) and City voters ratified local legislation permitting the City to issue General Obligation Bonds with call provisions and to refinance debt, thus allowing the City to take advantage of favorable interest rates and achieve debt service expense savings. General Obligation bonds are backed by the full faith and credit of the city, meaning that the city will use its taxing authority to repay the bonds in the unlikely event of a default.

A debt study was conducted off of the Fiscal 2012 Summary of the Adopted Budget, and the consulting firm stated that the City could issue up to \$80 million in General Obligation bonds each year while maintaining stable financial position and bond rating. During this same year the City's bond rating was increased and now stands at an Aa2 and AA by Moody's and Standard and Poor's rating services.

General Obligation bonds are borrowed funds that are used for capital projects. The 2018 Loan Authorization would allow the City of Baltimore to issue up to \$160 million (\$80 million per year) in General Obligation bonds for fiscal years 2020 and 2021. Voters will be asked to authorize the City to issue General Obligation bonds in various amounts for four broad purposes.

Additional Information

Fiscal Note: Not Available

Information Source(s): Agency Reports

Analysis by: Samuel Johnson, Jr.  Direct Inquiries to: (410) 396-1091
Analysis Date: May 15, 2018

**CITY OF BALTIMORE
COUNCIL BILL 18-0212
(First Reader)**

Introduced by: The Council President
At the request of: The Administration (Department of Planning)
Introduced and read first time: March 26, 2018

Assigned to: Taxation, Finance and Economic Development Committee

REFERRED TO THE FOLLOWING AGENCIES: City Solicitor, Department of Recreation and Parks, Health Department, Baltimore City Public School System, Baltimore Development Corporation, Planning Commission, Department of Housing and Community Development, Department of Finance

A BILL ENTITLED

1 AN ORDINANCE concerning

2 **Bond Issue - School Loan - \$38,000,000**

3 FOR the purpose of authorizing the Mayor and City Council of Baltimore (pursuant to General
4 Assembly House Resolution II and Senate Resolution IV of 2018 approved by the members
5 of the Maryland General Assembly representing Baltimore City) to create a debt, and to issue
6 and sell, at any time or from time to time and in one or more series its certificates of
7 indebtedness as evidence thereof, and proceeds not exceeding \$38,000,000 from the sale of
8 such 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); and the remainder of such proceeds shall be used for the acquisition, by purchase,
13 lease, condemnation or any other legal means, of land or property, or any rights therein, in the
14 City of Baltimore, and demolishing, constructing and erecting on said land or property, or on
15 any land or property now or hereafter owned by the Baltimore City Board of School
16 Commissioners and/or the Mayor and City Council of Baltimore, new school buildings,
17 athletic and other auxiliary facilities including community health and recreation facilities, and
18 for additions and improvements to, or the modernization or reconstruction of, including the
19 inspection, removal, encapsulation, management, containment and abatement of asbestos
20 from existing facilities, and for equipment for any and all new or existing facilities authorized
21 to be constructed, erected, added, improved, modernized or reconstructed by the provisions
22 hereof; the payment of any and all costs and expenses incurred for or in connection with
23 doing any or all of the things herein mentioned, including, but not limited to, the costs and
24 expenses of securing administrative, appraisal, economic analysis, engineering, planning,
25 designing, architectural, surveying, and other professional services, including, without
26 limitation, services relating to planning for future projects of the same general character
27 which may be constructed out of future loans; and for doing any and all things necessary,
28 proper or expedient in connection with or pertaining to any or all of the matters or things
29 hereinbefore mentioned; authorizing the issuance of refunding bonds; conferring certain
30 powers upon the Baltimore City Board of School Commissioners; imposing certain
31 conditions in connection with the expenditure of the proceeds derived from the sale of said
32 certificates of indebtedness; conferring and imposing upon the Board of Finance of Baltimore

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

Council Bill 18-0212

1 City certain powers and duties; authorizing the submission of this Ordinance to the legal
2 voters of the City of Baltimore, for their approval or disapproval, at the Election to be held on
3 Tuesday, the 6th day of November, 2018, and providing for the expenditure of the proceeds of
4 sale of said certificates of indebtedness in accordance with the provisions of the Charter of
5 the Mayor and City Council of Baltimore, and by the municipal agency designated in the
6 annual Ordinance of Estimates of the Mayor and City Council of Baltimore.

7 **WHEREAS**, By General Assembly House Resolution II and Senate Resolution IV of 2018,
8 approved by the members of the Maryland General Assembly representing Baltimore City, the
9 Mayor and City Council is authorized to create a debt and to issue and sell its certificates of
10 indebtedness (hereinafter called "bonds") as evidence thereof, and proceeds not exceeding
11 \$38,000,000 from the sale of such bonds to be used for school purposes as authorized by said
12 Resolution; and

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

14 **SECTION 1. BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE**, That the
15 Mayor and City Council of Baltimore, acting by and through the Board of Finance of said
16 municipality, be and it is hereby authorized and empowered to create a debt and to issue and sell
17 bonds of the Mayor and City Council of Baltimore from time to time, as may be needed or
18 required for the purposes hereinafter named and said bonds shall be sold by the Board of Finance
19 from time to time and at such times as shall be requisite, and proceeds not exceeding
20 \$38,000,000, from the sale of such bonds shall be used for the purposes hereinafter named,
21 provided that this Ordinance shall not become effective unless it shall be approved by a majority
22 of the votes of the legal voters of Baltimore City cast at the time and place hereinafter designated
23 by this Ordinance.

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

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

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

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

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

39 (a) The amount of debt to be incurred by the Mayor and City Council of Baltimore at any
40 particular time, and from time to time, under and pursuant to the provisions of this Ordinance;
41 the date or dates when any bonds representing said debt, or any part thereof, are to mature, and

Council Bill 18-0212

1 the amount or amounts of said debt, or any part thereof, which shall mature upon the aforesaid
2 date or dates; and the date or dates in each year, during the entire period of time when any of said
3 bonds are outstanding, when interest on any of said bonds shall be payable;

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

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

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

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

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

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

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

35 **SECTION 6. AND BE IT FURTHER ORDAINED, That** this Ordinance shall be submitted to the
36 legal voters of the City of Baltimore, for their approval or disapproval, at the General Election to
37 be held in Baltimore City, on Tuesday, the 6th day of November, 2018.

38 **SECTION 7. AND BE IT FURTHER ORDAINED, That** prior to the date of the election
39 hereinbefore mentioned, notice shall be given to the public of the amount of money which the
40 Mayor and City Council of Baltimore is authorized to borrow, and the general purposes for
41 which such borrowed funds may be expended, under the terms and provisions of this Ordinance,

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1 and the time when the election hereinbefore mentioned is to be held; and such public notice shall
2 be given in such manner and by such means or through such media and at such time or times as
3 may be determined, from time to time, by a majority of the Board of Finance.

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

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

12 (b) The remainder of such proceeds shall be used for the acquisition, by purchase, lease,
13 condemnation or any other legal means, of land or property, or any rights therein, in the City of
14 Baltimore, and demolishing, constructing and erecting on said land or property, or on any land or
15 property now or hereafter owned by the Baltimore City Board of School Commissioners and/or
16 the Mayor and City Council of Baltimore, new school buildings, athletic and other auxiliary
17 facilities including community health and recreation facilities, and for additions and
18 improvements to, or the modernization or reconstruction of, including the inspection, removal,
19 encapsulation, management, containment and abatement of asbestos from existing school
20 buildings or facilities, and for equipment for any and all new or existing facilities authorized to
21 be constructed, erected, added to, improved, modernized or reconstructed by the provisions
22 hereof; the payment of any and all costs and expenses incurred for or in connection with doing
23 any or all of the things herein mentioned, including, but not limited to, the costs and expenses of
24 securing administrative, appraisal, economic analysis, engineering, planning, designing,
25 architectural, surveying, and other professional services, including, without limitation, services
26 relating to planning for future projects of the same general character which may be constructed
27 out of future loans; and for or in connection with or pertaining to any or all of the matters or
28 things hereinbefore mentioned.

29 **SECTION 9. AND BE IT FURTHER ORDAINED,** That:

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

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

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

5 (2) Debt restructuring that:

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

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

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

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

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

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

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

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

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

4 **SECTION 10. AND BE IT FURTHER ORDAINED,** That in the expenditure of the proceeds of sale
5 of said bonds, the Mayor and City Council of Baltimore shall observe the following conditions:

6 (a) Subject to the provisions of the Charter of Baltimore City relating to the Planning
7 Commission, the Baltimore City Board of School Commissioners, shall have the authority to
8 select sites for the construction of any new school buildings hereby authorized;

9 (b) All plans and specifications for the construction or reconstruction of school buildings,
10 or for additions or improvement to school buildings, to be financed out of the proceeds derived
11 from the sale of the bonds herein authorized to be issued, shall be subject to the approval of the
12 Baltimore City Board of School Commissioners prior to the final acceptance of such plans and
13 specifications, and the endorsement of approval by the Board of such plans and specifications
14 shall be made thereon, and shall also be recorded by the Board in its official minutes;

15 (c) All changes in approved plans and specifications which may be found necessary and
16 expedient during the course of construction shall also be subject to the approval of the Baltimore
17 City Board of School Commissioners, and shall also be recorded by the Board in its official
18 minutes; and

19 (d) No part of the proceeds derived from the sale of the bonds hereby authorized to be
20 issued shall be expended without the approval of the Baltimore City Board of School
21 Commissioners.

**CITY OF BALTIMORE
COUNCIL BILL 18-0212
(First Reader)**

Introduced by: The Council President

At the request of: The Administration (Department of Planning)

Introduced and read first time: March 26, 2018

Assigned to: Taxation, Finance and Economic Development Committee

REFERRED TO THE FOLLOWING AGENCIES: City Solicitor, Department of Recreation and Parks, Health Department, Baltimore City Public School System, Baltimore Development Corporation, Planning Commission, Department of Housing and Community Development, Department of Finance

A BILL ENTITLED

1 AN ORDINANCE concerning

2 **Bond Issue - School Loan - \$38,000,000**

3 FOR the purpose of authorizing the Mayor and City Council of Baltimore (pursuant to General
4 Assembly House Resolution II and Senate Resolution IV of 2018 approved by the members
5 of the Maryland General Assembly representing Baltimore City) to create a debt, and to issue
6 and sell, at any time or from time to time and in one or more series its certificates of
7 indebtedness as evidence thereof, and proceeds not exceeding \$38,000,000 from the sale of
8 such 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); and the remainder of such proceeds shall be used for the acquisition, by purchase,
13 lease, condemnation or any other legal means, of land or property, or any rights therein, in the
14 City of Baltimore, and demolishing, constructing and erecting on said land or property, or on
15 any land or property now or hereafter owned by the Baltimore City Board of School
16 Commissioners and/or the Mayor and City Council of Baltimore, new school buildings,
17 athletic and other auxiliary facilities including community health and recreation facilities, and
18 for additions and improvements to, or the modernization or reconstruction of, including the
19 inspection, removal, encapsulation, management, containment and abatement of asbestos
20 from existing facilities, and for equipment for any and all new or existing facilities authorized
21 to be constructed, erected, added, improved, modernized or reconstructed by the provisions
22 hereof; the payment of any and all costs and expenses incurred for or in connection with
23 doing any or all of the things herein mentioned, including, but not limited to, the costs and
24 expenses of securing administrative, appraisal, economic analysis, engineering, planning,
25 designing, architectural, surveying, and other professional services, including, without
26 limitation, services relating to planning for future projects of the same general character
27 which may be constructed out of future loans; and for doing any and all things necessary,
28 proper or expedient in connection with or pertaining to any or all of the matters or things
29 hereinbefore mentioned; authorizing the issuance of refunding bonds; conferring certain
30 powers upon the Baltimore City Board of School Commissioners; imposing certain
31 conditions in connection with the expenditure of the proceeds derived from the sale of said
32 certificates of indebtedness; conferring and imposing upon the Board of Finance of Baltimore

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

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1 City certain powers and duties; authorizing the submission of this Ordinance to the legal
2 voters of the City of Baltimore, for their approval or disapproval, at the Election to be held on
3 Tuesday, the 6th day of November, 2018, and providing for the expenditure of the proceeds of
4 sale of said certificates of indebtedness in accordance with the provisions of the Charter of
5 the Mayor and City Council of Baltimore, and by the municipal agency designated in the
6 annual Ordinance of Estimates of the Mayor and City Council of Baltimore.

7 **WHEREAS**, By General Assembly House Resolution II and Senate Resolution IV of 2018,
8 approved by the members of the Maryland General Assembly representing Baltimore City, the
9 Mayor and City Council is authorized to create a debt and to issue and sell its certificates of
10 indebtedness (hereinafter called "bonds") as evidence thereof, and proceeds not exceeding
11 \$38,000,000 from the sale of such bonds to be used for school purposes as authorized by said
12 Resolution; and

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

14 **SECTION 1. BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE**, That the
15 Mayor and City Council of Baltimore, acting by and through the Board of Finance of said
16 municipality, be and it is hereby authorized and empowered to create a debt and to issue and sell
17 bonds of the Mayor and City Council of Baltimore from time to time, as may be needed or
18 required for the purposes hereinafter named and said bonds shall be sold by the Board of Finance
19 from time to time and at such times as shall be requisite, and proceeds not exceeding
20 \$38,000,000, from the sale of such bonds shall be used for the purposes hereinafter named,
21 provided that this Ordinance shall not become effective unless it shall be approved by a majority
22 of the votes of the legal voters of Baltimore City cast at the time and place hereinafter designated
23 by this Ordinance.

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

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

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

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

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

39 (a) The amount of debt to be incurred by the Mayor and City Council of Baltimore at any
40 particular time, and from time to time, under and pursuant to the provisions of this Ordinance;
41 the date or dates when any bonds representing said debt, or any part thereof, are to mature, and

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1 the amount or amounts of said debt, or any part thereof, which shall mature upon the aforesaid
2 date or dates; and the date or dates in each year, during the entire period of time when any of said
3 bonds are outstanding, when interest on any of said bonds shall be payable;

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

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

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

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

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

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

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

35 **SECTION 6. AND BE IT FURTHER ORDAINED, That** this Ordinance shall be submitted to the
36 legal voters of the City of Baltimore, for their approval or disapproval, at the General Election to
37 be held in Baltimore City, on Tuesday, the 6th day of November, 2018.

38 **SECTION 7. AND BE IT FURTHER ORDAINED, That** prior to the date of the election
39 hereinbefore mentioned, notice shall be given to the public of the amount of money which the
40 Mayor and City Council of Baltimore is authorized to borrow, and the general purposes for
41 which such borrowed funds may be expended, under the terms and provisions of this Ordinance,

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1 and the time when the election hereinbefore mentioned is to be held; and such public notice shall
2 be given in such manner and by such means or through such media and at such time or times as
3 may be determined, from time to time, by a majority of the Board of Finance.

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

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

12 (b) The remainder of such proceeds shall be used for the acquisition, by purchase, lease,
13 condemnation or any other legal means, of land or property, or any rights therein, in the City of
14 Baltimore, and demolishing, constructing and erecting on said land or property, or on any land or
15 property now or hereafter owned by the Baltimore City Board of School Commissioners and/or
16 the Mayor and City Council of Baltimore, new school buildings, athletic and other auxiliary
17 facilities including community health and recreation facilities, and for additions and
18 improvements to, or the modernization or reconstruction of, including the inspection, removal,
19 encapsulation, management, containment and abatement of asbestos from existing school
20 buildings or facilities, and for equipment for any and all new or existing facilities authorized to
21 be constructed, erected, added to, improved, modernized or reconstructed by the provisions
22 hereof; the payment of any and all costs and expenses incurred for or in connection with doing
23 any or all of the things herein mentioned, including, but not limited to, the costs and expenses of
24 securing administrative, appraisal, economic analysis, engineering, planning, designing,
25 architectural, surveying, and other professional services, including, without limitation, services
26 relating to planning for future projects of the same general character which may be constructed
27 out of future loans; and for or in connection with or pertaining to any or all of the matters or
28 things hereinbefore mentioned.

29 **SECTION 9. AND BE IT FURTHER ORDAINED,** That:

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

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

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

5 (2) Debt restructuring that:

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

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

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

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

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

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

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

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

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

4 **SECTION 10. AND BE IT FURTHER ORDAINED,** That in the expenditure of the proceeds of sale
5 of said bonds, the Mayor and City Council of Baltimore shall observe the following conditions:

6 (a) Subject to the provisions of the Charter of Baltimore City relating to the Planning
7 Commission, the Baltimore City Board of School Commissioners, shall have the authority to
8 select sites for the construction of any new school buildings hereby authorized;

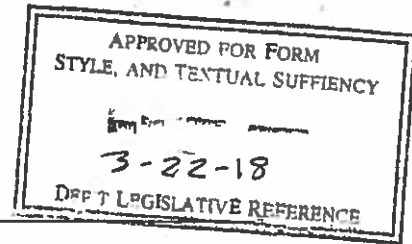
9 (b) All plans and specifications for the construction or reconstruction of school buildings,
10 or for additions or improvement to school buildings, to be financed out of the proceeds derived
11 from the sale of the bonds herein authorized to be issued, shall be subject to the approval of the
12 Baltimore City Board of School Commissioners prior to the final acceptance of such plans and
13 specifications, and the endorsement of approval by the Board of such plans and specifications
14 shall be made thereon, and shall also be recorded by the Board in its official minutes;

15 (c) All changes in approved plans and specifications which may be found necessary and
16 expedient during the course of construction shall also be subject to the approval of the Baltimore
17 City Board of School Commissioners, and shall also be recorded by the Board in its official
18 minutes; and

19 (d) No part of the proceeds derived from the sale of the bonds hereby authorized to be
20 issued shall be expended without the approval of the Baltimore City Board of School
21 Commissioners.

INTRODUCTORY*

CITY OF BALTIMORE
COUNCIL BILL 18-0212



Introduced by: The Council President
At the request of: The Administration (Department of Planning)

A BILL ENTITLED

AN ORDINANCE concerning

Bond Issue - School Loan - \$38,000,000

FOR the purpose of authorizing the Mayor and City Council of Baltimore (pursuant to General Assembly House Resolution II and Senate Resolution IV of 2018 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 \$38,000,000 from the sale of such certificates of indebtedness to be used for the cost of issuance, including the expense of engraving, printing, advertising, attorneys' fees, and all other incidental expenses connected therewith (which may include the proportion of the compensation of employees and general administrative expenses of the Department of Finance reasonably allocated to the issuance of the bonds); and the remainder of such proceeds shall be used for the acquisition, by purchase, lease, condemnation or any other legal means, of land or property, or any rights therein, in the City of Baltimore, and demolishing, constructing and erecting on said land or property, or on any land or property now or hereafter owned by the Baltimore City Board of School Commissioners and/or the Mayor and City Council of Baltimore, new school buildings, athletic and other auxiliary facilities including community health and recreation facilities, and for additions and improvements to, or the modernization or reconstruction of, including the inspection, removal, encapsulation, management, containment and abatement of asbestos from existing facilities, and for equipment for any and all new or existing facilities authorized to be constructed, erected, added, improved, modernized or reconstructed by the provisions hereof; the payment of any and all costs and expenses incurred for or in connection with doing any or all of the things herein mentioned, including, but not limited to, the costs and expenses of securing administrative, appraisal, economic analysis, engineering, planning, designing, architectural, surveying, and other professional services, including, without limitation, services relating to planning for future projects of the same general character which may be constructed out of future loans; and for doing any and all things necessary, proper or expedient in connection with or pertaining to any or all of the matters or things hereinbefore mentioned; authorizing the issuance of refunding bonds; conferring certain powers upon the Baltimore City Board of School Commissioners; imposing certain conditions in connection with the expenditure of the proceeds derived from the sale of said certificates of indebtedness; conferring and imposing upon the Board of Finance of Baltimore City certain powers and duties; authorizing the submission of this Ordinance to the legal voters of the City of Baltimore, for their approval or disapproval, at the Election to be held on

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THE OFFICIAL COPY CONSIDERED BY THE CITY COUNCIL IS THE FIRST READER COPY.

Tuesday, the 6th day of November, 2018, and providing for the expenditure of the proceeds of sale of said certificates of indebtedness in accordance with the provisions of the Charter of the Mayor and City Council of Baltimore, and by the municipal agency designated in the annual Ordinance of Estimates of the Mayor and City Council of Baltimore.

WHEREAS, By General Assembly House Resolution II and Senate Resolution IV of 2018, approved by the members of the Maryland General Assembly representing Baltimore City, the Mayor and City Council is authorized to create a debt and to issue and sell its certificates of indebtedness (hereinafter called "bonds") as evidence thereof, and proceeds not exceeding \$38,000,000 from the sale of such bonds to be used for school purposes as authorized by said Resolution; and

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

SECTION 1. BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE, That the Mayor and City Council of Baltimore, acting by and through the Board of Finance of said municipality, be and it is hereby authorized and empowered to create a debt and to issue and sell bonds of the Mayor and City Council of Baltimore from time to time, as may be needed or required for the purposes hereinafter named and said bonds shall be sold by the Board of Finance from time to time and at such times as shall be requisite, and proceeds not exceeding \$38,000,000, from the sale of such bonds shall be used for the purposes hereinafter named, provided that this Ordinance shall not become effective unless it shall be approved by a majority of the votes of the legal voters of Baltimore City cast at the time and place hereinafter designated by this Ordinance.

SECTION 2. AND BE IT FURTHER ORDAINED, That:

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

(b) The 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 thereby shall be discharged not more than 40 years from the date of issuance of the bonds.

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

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

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

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

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

SECTION 4. AND BE IT FURTHER ORDAINED, That:

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

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

(c) All bonds issued and sold pursuant to 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 par value of the bonds, as determined by resolution of the Board of Finance of the Mayor and City Council of Baltimore.

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

SECTION 6. AND BE IT FURTHER ORDAINED, That this Ordinance shall be submitted to the legal voters of the City of Baltimore, for their approval or disapproval, at the General Election to be held in Baltimore City, on Tuesday, the 6th day of November, 2018.

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

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

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

(b) The remainder of such proceeds shall be used for the acquisition, by purchase, lease, condemnation or any other legal means, of land or property, or any rights therein, in the City of Baltimore, and demolishing, constructing and erecting on said land or property, or on any land or property now or hereafter owned by the Baltimore City Board of School Commissioners and/or the Mayor and City Council of Baltimore, new school buildings, athletic and other auxiliary facilities including community health and recreation facilities, and for additions and improvements to, or the modernization or reconstruction of, including the inspection, removal, encapsulation, management, containment and abatement of asbestos from existing school buildings or facilities, and for equipment for any and all new or existing facilities authorized to be constructed, erected, added to, improved, modernized or reconstructed by the provisions hereof; the payment of any and all costs and expenses incurred for or in connection with doing any or all of the things herein mentioned, including, but not limited to, the costs and expenses of securing administrative, appraisal, economic analysis, engineering, planning, designing, architectural, surveying, and other professional services, including, without limitation, services relating to planning for future projects of the same general character which may be constructed out of future loans; and for or in connection with or pertaining to any or all of the matters or things hereinbefore mentioned.

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.

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

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

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

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

SECTION 10. AND BE IT FURTHER ORDAINED, That in the expenditure of the proceeds of sale of said bonds, the Mayor and City Council of Baltimore shall observe the following conditions:

(a) Subject to the provisions of the Charter of Baltimore City relating to the Planning Commission, the Baltimore City Board of School Commissioners, shall have the authority to select sites for the construction of any new school buildings hereby authorized;

(b) All plans and specifications for the construction or reconstruction of school buildings, or for additions or improvement to school buildings, to be financed out of the proceeds derived from the sale of the bonds herein authorized to be issued, shall be subject to the approval of the Baltimore City Board of School Commissioners prior to the final acceptance of such plans and specifications, and the endorsement of approval by the Board of such plans and specifications shall be made thereon, and shall also be recorded by the Board in its official minutes;

(c) All changes in approved plans and specifications which may be found necessary and expedient during the course of construction shall also be subject to the approval of the Baltimore City Board of School Commissioners, and shall also be recorded by the Board in its official minutes; and

(d) No part of the proceeds derived from the sale of the bonds hereby authorized to be issued shall be expended without the approval of the Baltimore City Board of School Commissioners.

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ACTION BY THE CITY COUNCIL

MAR 26 2018
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FIRST READING (INTRODUCTION) _____

PUBLIC HEARING HELD ON _____

May 17 20 18

COMMITTEE REPORT AS OF _____

June 4 20 18

FAVORABLE _____ UNFAVORABLE _____ FAVORABLE AS AMENDED _____ WITHOUT RECOMMENDATION _____

[Handwritten Signature]

Chair

COMMITTEE MEMBERS:

COMMITTEE MEMBERS:

SECOND READING: The Council's action being favorable (unfavorable), this City Council bill was (was not) ordered printed for Third Reading on:

JUN 04 2018
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_____ Amendments were read and adopted (defeated) as indicated on the copy attached to this blue backing.

THIRD READING _____

JUN 07 2018
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_____ Amendments were read and adopted (defeated) as indicated on the copy attached to this blue backing.

THIRD READING (ENROLLED) _____ 20 _____

_____ Amendments were read and adopted (defeated) as indicated on the copy attached to this blue backing.

THIRD READING (RE-ENROLLED) _____ 20 _____

WITHDRAWAL _____ 20 _____

There being no objections to the request for withdrawal, it was so ordered that this City Council Ordinance be withdrawn from the files of the City Council.

[Handwritten Signature]

President

[Handwritten Signature]

Chief Clerk