

CITY OF BALTIMORE

STEPHANIE RAWLINGS-BLAKE, Mayor

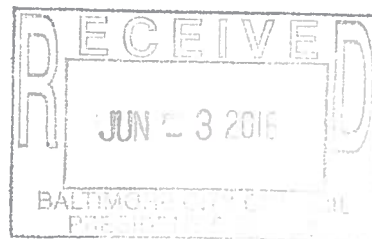


DEPARTMENT OF LAW

GEORGE A. NILSON, City Solicitor
101 City Hall
Baltimore, Maryland 21202

June 2, 2016

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



Re: City Council Bill 16-0670 – Port Covington Bond Issuance

Dear President and City Council Members:

The Law Department has reviewed City Council Bill 16-0670 for form and legal sufficiency. The bill proposes to authorize the issuance of special obligation bonds in an amount not to exceed 660 million dollars (\$660,000,000), for development of the Port Covington Development District (to be created by the companion bill 16-0669) and for improvements in or related to the Port Covington Special Tax District (to be created by the companion bill 16-0671) pursuant to the authority granted by Sections (62) and (62A) of Article II of the City Charter, respectively. Section (62A)(g)(3)(i) requires that there be a public hearing on this bill and that the date and time of the hearing be advertised in a newspaper of general circulation in the City for at least 10 days prior to the hearing. Baltimore City Charter, Art. II, §(62A)(g)(3)(i).

Section (62) of Article II of the City Charter requires that this bond ordinance specify the proposed undertaking (which it does in its attached Schedule I), confirm that it meets the prerequisites for bond issuance in subsection (d) of Section (62), and provide the maximum principal amount of the bonds to be issued. City Charter, Art. II, §(62)(f). The ordinance may also authorize the Board of Finance by resolution to set the terms of the public or private sale of the bonds. City Charter, Art. II, §(62)(h)(4).

Additionally, Section (62A) of Article II of the City Charter requires that this bond ordinance describe the proposed undertaking, confirm that it meets the prerequisites for bond issuance in subsection (e) of Section (62A), specify the maximum amount of principal and the maximum rates of interest (here 9%) for the bonds and covenant to levy taxes annually in an amount at least sufficient to cover the principal and interest on the bonds. City Charter, Art. II, §(62A)(g)(1). It may also address other issues such as the form of the bonds, the time they will be issued or how the bonds may be called for redemption. City Charter, Art. II, §(62A)(g)(2).

Finally, the Law Department notes that City Council Bill 16-0669 and 16-0671 must also pass for this bill to be legally sufficient, as those other bills contain provisions necessary under the City Charter to effectuate the issuance of the bonds referred to in this bill.

Fav w/ Comm



The bill conforms to the requirements of the City Charter. Assuming it passes along with City Council Bill 16-0669 and 16-0671, and the advertising requirement has been met, the Law Department approves it for form and legal sufficiency.

Very truly yours, *ecm*

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Hilary Ruley
Chief Solicitor

cc: George Nilson, City Solicitor
Angela C. Gibson, Mayor's Legislative Liaison
Elena DiPietro, Chief Solicitor, General Counsel Division
Victor Tervalá, Chief Solicitor
Jennifer Landis, Assistant Solicitor