

(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 THIS ACT 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 THIS ACT AT MATURITY, TO PURCHASE IN THE OPEN MARKET ANY OF ITS OUTSTANDING BONDS AUTHORIZED TO BE ISSUED UNDER THIS ACT 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 THIS ACT.

(B) ANY REFUNDING BONDS AUTHORIZED TO BE ISSUED AND SOLD PURSUANT TO THIS ACT 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 PURSUANT TO THIS ACT 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 BY SECTION 1 OF THIS ACT.