

THE COMMISSIONERS OF LEONARDTOWN

RESOLUTION NO. 7-97

**A RESOLUTION amending Resolution No. 9-96 concerning
LEONARDTOWN RECREATION, INC. AND TUDOR HALL FARMS PROJECT**

FOR the purpose of amending Resolution No. 9-96, adopted by the Council and approved by the Mayor on December 16, 1996, in order to expand the scope of the project authorized to be financed in accordance with the provisions of Resolution No. 9-96.

RECITALS

Pursuant to Resolution No. 9-96 adopted by the Council of the town of Leonardtown (the "Town") and approved by the Mayor on December 16, 1996 ("Resolution No. 9-96"), the Mayor and Council approved the purposes and activities of a corporation organized under the general nonprofit corporation law of the State of Maryland to promote and facilitate recreational activities in the Town and known as "Leonardtown Recreation, Inc." (the "Corporation"). In accordance with the provisions of Resolution No. 9-96, the Articles of Incorporation of the Corporation were duly filed with and accepted for record by the Maryland State Department of Assessments and Taxation on December 17, 1996.

Pursuant to Resolution No. 9-96, the Corporation was organized and formed such that certain obligations (within the meaning of the Internal Revenue Code of 1986, as replaced, supplemented or amended) issued by the Corporation shall be issued on behalf of the Town in accordance with the requirements of Rev. Rul. 63-20, 1963-1 C.B. 24 ("Rev. Rul. 63-20") and Rev. Proc. 82-26, 1982-1 C.B. 426 ("Rev. Proc. 82-26"). As required by Rev. Proc. 82-26, the Corporation will engage in activities that are essentially public in nature and is not organized for profit except to the extent of retiring indebtedness, and the corporate income of the Corporation will not inure to any private person.

Pursuant to Resolution No. 9-96, the Town approved the issuance of one or more series of revenue bonds (the "Bonds") by the Maryland Economic Development Corporation, a Maryland public corporation ("MEDCO") organized and existing under the provisions of Article 83A, Sections 5-201 through 5-216, inclusive, of the Annotated Code of Maryland (the "MEDCO Act"), and the lending of the proceeds of the Bonds to the Corporation in order to facilitate the financing of the acquisition, construction, development, improvement, equipping and furnishing of a public golf course and related facilities to be located on Maryland Route 5, southeast of Maryland Route 243 within the geographical boundaries of the Town (the "Authorized Project"). Resolution No. 9-96 provides that the Authorized Project will include an 18-hole golf course, a driving range and a clubhouse, all for use by the general public.

Since the adoption of Resolution No. 9-96, the Corporation has determined to expand the scope of the Authorized Project to include the acquisition, construction, development,

improvement, equipping and furnishing of a hotel and conference center and related improvements, facilities and amenities. It is intended that the proceeds of the Bonds will be applied to finance the acquisition, construction, development, improvement, equipping and furnishing of the hotel and conference center and related improvements, facilities and amenities, together with the acquisition of all necessary property rights and equipment and all related architectural, financial, legal, planning, design and engineering expenses, in addition to the costs of the Authorized Project as described in Resolution No. 9-96.

The Town has been requested to amend Resolution No. 9-96 in order to reflect the expansion of the scope of the Authorized Project.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND TOWN COUNCIL OF LEONARDTOWN, THAT:

SECTION 1. From and after the effective date of this Resolution, all references to the “Project” contained in Resolution No. 9-96 shall be deemed to refer to and include (i) a public golf course and related facilities, including an 18-hole golf course, a driving range and a clubhouse and (ii) a hotel and conference center and related improvements, facilities and amenities, all for use by the general public.

SECTION 2. From and after the effective date of this Resolution, Section 2.1 of Resolution No. 9-96 shall be deleted in its entirety and inserted in place thereof shall be the following:

“2.1. The Project is, in part, a recreational facility that will assist in promoting the health, recreation, welfare, enjoyment and enlightenment of the inhabitants of the Town.”

SECTION 3. From and after the effective date of this Resolution, Resolution No. 9-96 shall be amended solely as provided in this Resolution, and all other provisions of Resolution No. 9-96 shall remain in full force and effect, except as otherwise expressly amended in this Resolution.

SECTION 4. This Resolution shall become effective immediately upon its adoption by the Council and its approval by the Mayor.

[SIGNATURES ON FOLLOWING PAGE]

THE COMMISSIONERS OF LEONARDTOWN


Ruth W. Proffitt, Vice President


Bernard Y. Delahay, Councilman


Susan H. Erichsen, Councilwoman


Daniel W. Muchow, Councilman


Walter Wise, Councilman

ATTEST:


Robert O. Guyther, Town Administrator

Adopted by the Council: August 11, 1997

Approved by the Mayor this 11 day of August, 1997


J. Harry Norris, III, Mayor

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