

TOWN OF NORTH BEACH MARYLAND

07-08

(Calvert County)

**RESOLUTION OF THE MAYOR AND TOWN COUNCIL OF  
THE TOWN OF NORTH BEACH MARYLAND TO AUTHORIZE THE  
TOWN OF NORTH BEACH TO SETTLE ON A TWO HUNDRED  
THOUSAND DOLLARS (\$200,000.00) LOAN AGREEMENT WITH THE  
MERCANTILE SOUTHERN MARYLAND BANK AND TO AUTHORIZE  
THE MAYOR AND TREASURER TO SIGN ALL NECESSARY  
DOCUMENTS ASSOCIATED WITH THE LOAN.**

**WHEREAS**, on February 8, 2007, the Mayor and Town Council of the Town of North Beach, passed a Resolution authorizing the Treasurer of the Town to negotiate a loan agreement with Mercantile Southern Maryland Bank in the amount of **Two Hundred Thousand Dollars (\$200,000.00)** to help finance a new Boys and Girls Club building.

**WHEREAS**, as part of the February 2007 Resolution, the Mayor and the Town of North Beach determined that once the final loan documents were approved, that this Resolution would be passed authorizing the Treasurer and the Mayor to take whatever steps that are necessary to go to closing on the Loan; and

**WHEREAS**, closing on the Loan is now scheduled for Monday, April 9, 2007.

**NOW, THEREFORE, BE IT RESOLVED** by the Mayor and Town Council of the Town of North Beach Maryland the following:

1. That attached to this Resolution as Exhibit 1 is the Commitment Letter from the Mercantile Southern Maryland Bank which lays out all of the terms of the proposed loan. This letter is attached to this Resolution as Exhibit 1 and is made a part hereof.
2. The main terms of the loan are that it will be in a principle amount of **Two Hundred Thousand Dollars (\$200,000.00)** to be repaid over a term of twenty-five (25) years, with interest re-set in five-year terms, the interest rate for the first five-year term being 5.48%.
3. The proceeds of the loan will be to provide for site work, permits, litigation costs and engineering cost associated with constructing a new Boys and Girls Club building at 902 Dayton Avenue, North Beach, Maryland 20714. The Council has previously resolved that it is in the best interest of the Town of North Beach to contribute to the cost of building a Boys and Girls Club building on Town property. It is understood that the Town not only owns the property that the building is to be built on but will own the building and will enter into a lease agreement with the Boys and Girls Club of Southern Maryland at the appropriate time.
4. The Mayor and Treasurer of the Town of North Beach are hereby authorized by the Mayor and Town Council to proceed to settlement on this loan on **Monday, April 9, 2007** and the Mayor and Treasurer are hereby authorized to sign all necessary documents binding the Town of North Beach to the Agreement.

NOW THEREFORE, BE IT SO RESOLVED this 5<sup>th</sup> day of April, 2007 by the Mayor and Town Council of the Town of North Beach Maryland.

Passed this 5<sup>th</sup> day of April, 2007.

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Michael Bojokles, Mayor

**ATTEST:**

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Stacy Wilkerson, Town Clerk

Absent Dotson

Aye Hagen

Aye Hummel

Aye Hunt

Aye Schiada

Aye Striegel