

COUNCIL OF THE TOWN OF INDIAN HEAD

Emergency Ordinance No. 04-12-21

Introduced By: Mayor & Council
Date Introduced: April 28, 2021
Town Council Hearing: None
Amendments Adopted: None
Date Adopted: April 28, 2021
Date Effective: April 28, 2021

AN EMERGENCY ORDINANCE concerning

Authorization of Community Bank of the Chesapeake Line of Credit

FOR the purpose of authorizing and approving the Town's borrowing up to \$1,000,000 pursuant to a commercial line of credit from the Community Bank of the Chesapeake for certain purposes under certain terms and conditions; designating a certain signatory on this line of credit; providing that this Ordinance is an Emergency Ordinance; and matters generally relating to authorizing the Town to borrow up to \$1,000,000 pursuant to a commercial line of credit.

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EXPLANATORY STATEMENT: The Town of Indian Head has a need to borrow up to \$1,000,000 on a short-term basis to cover expenses of the Town's boardwalk project pending receipt of project funding from the State of Maryland. The Town and Community Bank of the Chesapeake have negotiated a commercial line of credit for this amount. The terms and conditions of this line of credit are set forth in a commitment letter dated April 6, 2021, a copy of which is attached to this Emergency Ordinance as Exhibit A (the "Commitment"). The Town Council considers the Commitment to be in the interests of the Town and its residents and by this Ordinance desires to authorize and approve the Commitment.

SECTION 1. BE IT ENACTED BY THE COUNCIL OF THE TOWN OF INDIAN HEAD that the Council determines that an emergency exists that warrants (i) the suspension of the requirements of Section C2-14.A. of the Indian Head Town Charter and Section 3-14.B. of the Town Code, and (ii) the adoption of this Ordinance as an Emergency Ordinance on the day of its introduction. The emergency is that the Commitment Letter will expire if the Town-approved Commitment is not returned to Community Bank by April 29 and the loan settled by May 4, 2021, a schedule that will not be met by approval of the Commitment Letter pursuant to a regular ordinance that would require readings on two separate dates and would not take effect until 20 days after its enactment.

SECTION 2. AND BE IT FURTHER ENACTED, that the Council of the Town of Indian Head:

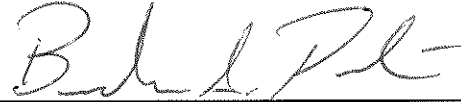
1. Authorizes and approves the commercial line of credit with Community

Bank of the Chesapeake in the amount of \$1,000,000 in accordance with the Commitment; and

2. Authorizes and directs the Mayor to accept the Commitment on behalf of the Town and take all further actions required to consummate the Commitment and commercial line of credit.

SECTION 3. AND BE IT FURTHER ENACTED, that, having been approved by all three members of the Council, this Emergency Ordinance shall become effective immediately upon its adoption.

INDIAN HEAD TOWN COUNCIL



Brandon Paulin, Mayor



Ron Sitoula, Vice Mayor



Randy Albright, Councilman

ATTEST:


Town Clerk

4/28/21
Date