

agreement relating to payment in lieu of taxes, and prior to authorization to construct the golf course, the Board of Public Works must be satisfied that the hotel/conference center will be built. During negotiations on the documents, the leadership of the budget committees and the Director of the Department of Fiscal Services shall be apprised, on a periodic basis, of the status of the major components.

Further provided, in the event of the sale of the project and assignment of the ground lease, the MICRF Loan documents shall include a provision requiring the prepayment in full of the MICRF Loan (and only if), after taking into consideration the net sales proceeds (as defined in the Memorandum of Understanding and assuming a full repayment of the MICRF Loan), the lessee will receive a sum which will generate an internal rate of return of at least 45% on the total project costs calculated in accordance with standard internal rate of return procedures on an annual basis with appropriate "rounding" adjustments.

Further, it is the intent of the legislature that commencing on the date that the MICRF Loan is paid in full, any revenues collected from the surcharges and participation rent shall be deposited into the General Fund. Should the tenant sell the ground lease, any State revenues generated from the sale shall be deposited into the General Fund.

Further provided, that all construction and development costs shall be verified and systematic on-site inspections performed by the appropriate State agency or private contractor pursuant to policies adopted by the Board of Public Works.

Further provided that unless there are documented commitments of the equity and debt financing to construct the hotel/conference center by September 1, 1991, the \$7,200,000 shall not be expended and the authorization shall be cancelled.

Further provided that no more than \$3,500,000 of the equity commitment may be provided by Allegany County and the State will not reimburse the county for any part of any equity commitment made by the county.

FURTHER PROVIDED THAT IF THE BOARD OF PUBLIC WORKS HAS NOT APPROVED THE CONSTRUCTION OF THE GOLF COURSE AS PROVIDED ABOVE BY SEPTEMBER 1, 1992, THE \$7,200,000 SHALL NOT BE EXPENDED AND THE AUTHORIZATION SHALL BE CANCELLED.....

7,200,000