

EXHIBIT 18

3/10 - Melissa
* Shawn received same



TOWN OF EASTON

P. O. Box 520
Easton, Maryland 21601

March 4, 2010

Richard E. Hall, Secretary
Maryland Department of Planning
301 West Preston Street
Baltimore, Maryland 21201

**Re: Shore Health System/UMMS Hospital Relocation and Medical
Campus; Certification of Priority Funding Area**

Dear Secretary Hall:

This letter is a request to designate parcels recently annexed into the Town of Easton as Priority Funding Areas (PFA). As Easton's Mayor and on behalf of the Easton Town Council I offer the attached supporting documentation as certification that The Town of Easton has annexed, via Resolution No. 5955, lands owned by Talbot County and Shore Health System, Inc. into the Town of Easton. The annexation is generally located on the west side of U.S. Route 50 and consists of 276.479 acres. The annexation was approved by the Easton Town Council December 7, 2009 and became effective January 21, 2010. This annexation meets the qualifications for designation as a PFA under the "Smart Growth" Areas Act of 1997. In addition, the area was previously designated as a PFA in Talbot County in May of 2009 .

Ordinance No. 561 was approved in conjunction with the annexation resolution establishing original Town zoning for the annexed parcels. The annexation is made up of three parcels (A, B, & C) totaling 276.479 acres and are shown on the attached plat. Parcels "A & B" have been zoned **Regional Healthcare (RH)** and Parcel "C" has been zoned **Governmental/Institutional (G/I)**. Both of these classifications were recently created by the Town primarily to accommodate this anticipated annexation. The area qualifies as an employment zone based on the zoning established which permits a regional hospital and ancillary uses on parcels "A & B" and public recreational uses on parcel "C". Furthermore, the property is designated in the Talbot County Master Water and Sewer Plan as "W-1/S-1," for immediate priority water and sewer service.

I understand that this certification will be filed by the Department, that the Department may include comments as part of the file, and that the Department will coordinate with State funding agencies to inform them about the property's designation as a PFA. If you have any questions about this certification, please contact Town Planner Tom Hamilton at (410) 822-1943.

Sincerely,

A handwritten signature in cursive script that reads "Robert A. Willey".

Robert Willey
Mayor

Enc. (copies: Res. 5955, Ord. 561, Dept. of Planning annexation letter)

cc: Shawn Kiernan MDP
Sharon VanEmburch, Town Attorney
Tom Hamilton, Town Planner

ORDINANCE NO. 561

AN ORDINANCE OF THE TOWN OF EASTON AMENDING THE OFFICIAL ZONING MAP OF THE TOWN OF EASTON TO APPLY AN ORIGINAL ZONING CLASSIFICATION OF REGIONAL HEALTHCARE AND GOVERNMENTAL/INSTITUTIONAL TO THREE PARCELS OF LAND ANNEXED TO THE TOWN OF EASTON BY RESOLUTION NO. 5955 LOCATED ON THE WEST SIDE OF U.S. ROUTE 50 AND CONSISTING OF 276.479 ACRES OF LAND, MORE OR LESS

Introduced by: Mr. Leshner

WHEREAS, the Town of Easton (the "Town") is authorized by the Maryland Annotated Code, Article 23A Section 19(s) to exercise planning and zoning jurisdiction in any area annexed by it; and

WHEREAS, the Town of Easton is authorized by Maryland Annotated Code (the "Code") Article 66B, §4.01 *et seq.* to enact and administer a zoning ordinance, which ordinance is Chapter 28 of the Easton Town Code; and

WHEREAS, the Town is authorized by Article 66B, §4.02 of the Code to divide land within the municipal boundaries into zoning districts in a manner it deems best suited to execute the purposes of Article 66B; and

WHEREAS, the Town is authorized by Article 66B, §§4.04 and 4.05 of the Code to amend, supplement, modify or repeal sections of the zoning ordinance; and

WHEREAS, the Town has acted pursuant to its authority under Article 23A, Section 19 of the Code to introduce Resolution No. 5955 (the "Resolution") to expand its municipal boundaries by annexing lands adjacent to the present Town boundaries as requested by Talbot County, Maryland ("County") and Shore Health System, Inc. ("SHS"). The area proposed for annexation includes portions of three parcels owned by the County located on the west side of US Route 50, north of the Town's existing municipal boundary, consisting of a total of 276.479± acres of land, more or less (the "Annexation Property") comprised of: Tax Map 17, Parcel 75, containing 88.08 acres of land, more or less, of which 86.975 acres is proposed for annexation ("Parcel 'A'"); Tax Map 17, Parcel 129, containing 148.06 acres of land, more or less, of which 145.870 acres is proposed for annexation ("Parcel 'B'"); and Tax Map 17, Parcel 38, containing 43.67 acres of land, more or less, of which 43.633 acres is proposed for annexation ("Parcel 'C'"). The Annexation Property is shown on a plat titled "ANNEXATION 2009, TOWN OF EASTON OF THE LANDS OF

TALBOT COUNTY, MARYLAND IN THE FIRST ELECTION DISTRICT, TALBOT COUNTY, MARYLAND”, prepared by Christopher Waters Professional Land Surveying, last revised August 4, 2009 (the “Annexation Plat”), which is Exhibit “A” to this Ordinance and to the Resolution.

WHEREAS, Regional Healthcare (RH) and Governmental/Institutional (G/I), the zoning designations established pursuant to Ordinance No. 560 and proposed by Petitioners for the Annexation Property, are consistent with relevant provisions of the Town Comprehensive Plan; and

WHEREAS, the Town Planning Commission considered the annexation and zoning requests during its public meeting on September 24, 2009 and recommended that the Easton Town Council annex the Annexation Property and zone such land as Regional Healthcare (RH) or Governmental/Institutional (G/I) as indicated herein; and

WHEREAS, the Easton Town Council finds that it is in the best interest of the Town to amend the Official Zoning Map of the Town to include the annexed property and to establish Regional Healthcare (RH) and Governmental/Institutional (G/I) zoning for such property; and

WHEREAS, the Easton Town Council held a duly noticed public hearing on this Ordinance on November 16, 2009.

Now, therefore, the Town of Easton hereby ordains as follows:

Section 1. Incorporation. The Annexation Plat attached hereto as Exhibit A is incorporated herein by reference.

Section 2. Modification of Official Zoning Map Boundaries. The Official Zoning Map of the Town of Easton is hereby amended to add those certain parcels or tracts of land annexed pursuant to Resolution No. 5955 (the “County Zoning Amendment Area”), which Annexation Property described on the Annexation Plat and is also described in a metes and bounds description prepared by Christopher Waters Professional Land Surveying entitled “Annexation, Town of Easton, Lands of Talbot County, Maryland”, which is Exhibit “B” to said Resolution.

Section 3. Designation of Zoning for County Zoning Amendment Area. The County Zoning Amendment Area, as depicted by the Annexation Plat, shall be assigned classification of Regional Healthcare (RH) or Governmental/Institutional (G/I) as follows: (i) the annexed portions of Parcels A & B shall be zoned Regional Healthcare (RH), and (ii) the annexed portion of Parcel C

shall be zoned Governmental/Institutional (G/I). In accordance with Section 107 of the Zoning Ordinance, the amendment shall be made on the Official Zoning Map promptly after adoption of this Ordinance by the Easton Town Council with an entry on the Official Zoning Map as follows: "On Dec Z, 2009, by official action of the Town Council, the following changes were made in the Official Zoning Map: (1) 276.4791± acres, located generally east of Hailem School Road, south of Hiners Lane and west of Maryland Route 50 (including a portion of the Maryland Route 662 right-of-way) and lying contiguous to the corporate boundaries of the Town of Easton, are added hereto; (2) 232.845± acres of said lands are zoned and designated Regional Healthcare (RH); (3) 43.633± acres of said lands are zoned and designated Governmental/Institutional (G/I)", which entry shall be signed by the Mayor and Council attested by the Town Clerk.

Section 4. County Zoning Consent. The proposed Regional Healthcare (RH) and Governmental/Institutional (G/I) zoning classifications permit land uses that are different from the land uses allowed under the current County zoning classifications applicable to the Annexation Property. In accordance with Article 23A, Section 9(c) of the Code, if Talbot County expressly approves, the Town can place the annexed land in zoning classifications that allow different land uses. The classification of the Annexation Property in the Regional Healthcare (RH) and Governmental/Institutional (G/I) zoning districts is contingent upon the Town's receiving the express consent of the County prior to the effective date of this Ordinance.

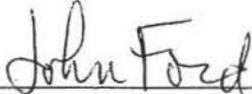
Section 5. Survival. Except as amended herein, the remainder of the Official Zoning Map and the remaining terms of existing ordinances shall remain in full force and effect.

Section 6. Effective Date. In accordance with Article 23A, Section 19 and Article 66B, Sections 4.04 and 4.05 of the Code and Article II, Section 9 of the Easton Town Charter, this Ordinance shall become effective upon the later of: (a) the effective date of the Annexation Resolution pursuant to which the land area that it the subject of this Ordinance is annexed to the Town of Easton, (b) ten (10) days after the Town Council's public hearing on this Ordinance, or (c) twenty (20) calendar days after approval by the Mayor or passage of this Ordinance by the Council over the Mayor's veto.

Section 7. Severability. The Easton Town Council intends that, if a court of competent jurisdiction issues a final decision holding that any part of this ordinance is invalid, the remaining provisions hereof remain in full force and effect.

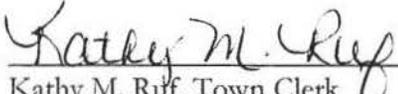
Ford	-	Yea
Wendowski	-	Yea
Malone	-	Yea
Leshner	-	Yea
Cook	-	Yea

I hereby certify that the above Ordinance was passed by a ye and nay vote of the Council this 7th day of December, 2009.



John F. Ford, President

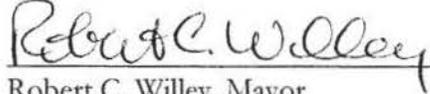
Delivered to the Mayor by me this 7th day of December, 2009.



Kathy M. Ruff, Town Clerk

APPROVED: December 7, 2009

Date: December 7, 2009



Robert C. Willey, Mayor

EFFECTIVE DATE: January 21, 2010.



Maryland Department of Planning

Martin O'Malley
Governor
Anthony G. Brown
Lt. Governor

Richard Eberhart Hall
Secretary
Matthew J. Power
Deputy Secretary

March 18, 2010

Mr. Robert Willey
Mayor
Town of Easton
P.O. Box 520
Easton, Maryland 21601

Re: Shore Health System/UMMS Hospital Relocation and Medical Campus; Certification of Priority Funding Area

Dear Mayor Willey:

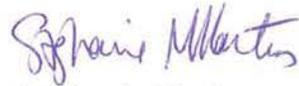
Thank you for your March 4, 2010 letter regarding the status of the Priority Funding Area for the Shore Health System Hospital Relocation and Medical Campus. The Maryland Department of Planning (MDP) has assessed these areas based on the criteria for Priority Funding Areas contained in Finance and Procurement Article §5-7B-02.

Our understanding is that the annexed parcels being added to the PFA are consistent with current growth policies. The properties are also in the approved 10 year County Water and Sewer Plan as areas planned for service. These parcels are zoned as RH, regional healthcare and as G/I, governmental-institutional. Additionally, the area is inside a primary growth area in the Talbot County Comprehensive Land Use Plan as well as the Town of Easton's growth area. It is also designated as an area to be used primarily for employment.

The subject properties therefore meet all the designation requirements for Priority Funding Area certification. Accordingly, the Priority Funding Area maps prepared by the Maryland Department of Planning will be updated to reflect these changes and will be provided to the appropriate State funding agencies.

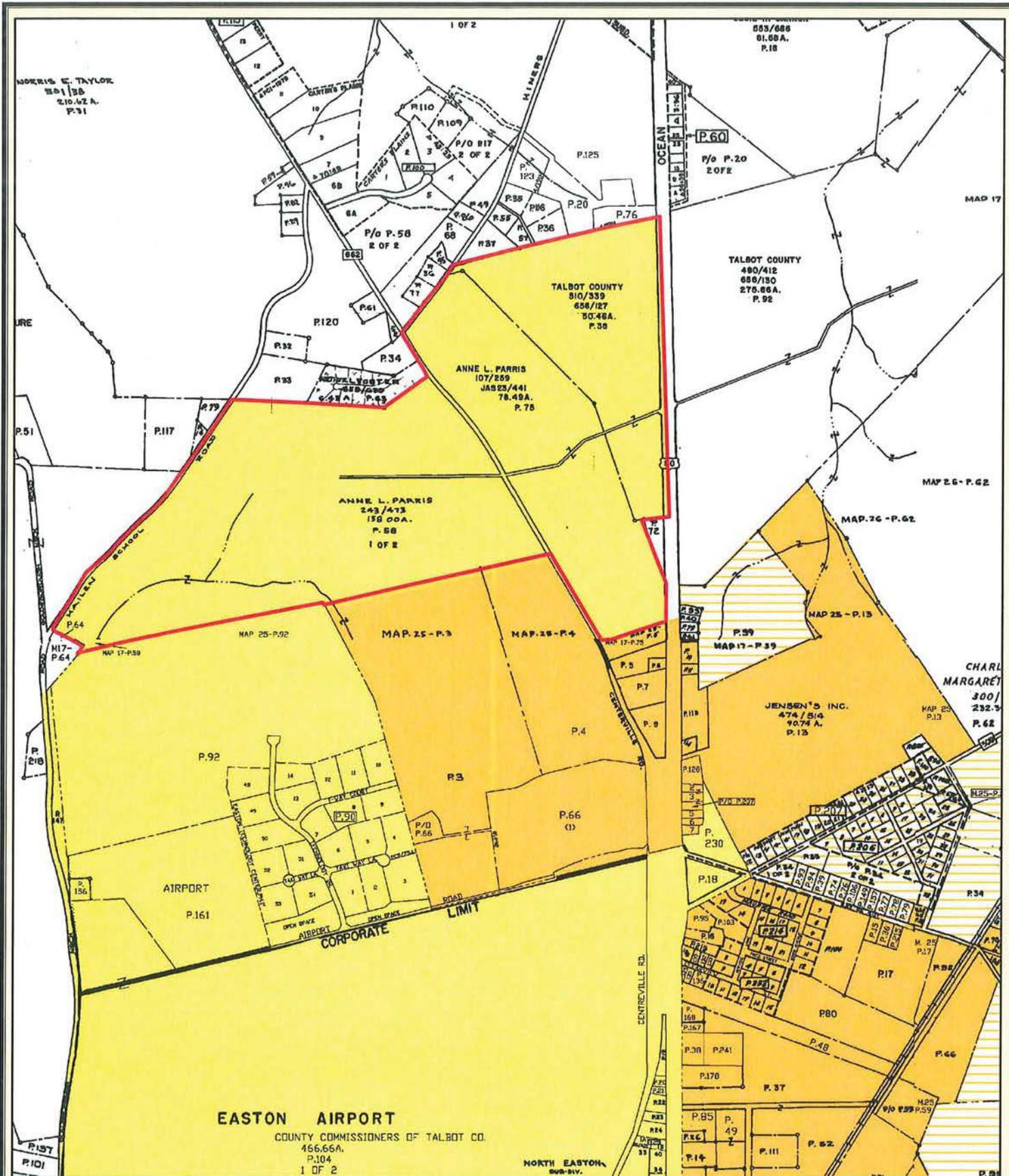
Thank you again for your letter. I look forward to working with you on future Smart Growth efforts. If you need anything further or have any additional questions please contact me at 410-767-4500.

Sincerely,

A handwritten signature in purple ink that reads "Stephanie Martins". The signature is written in a cursive, flowing style.

Stephanie Martins
Director, Land Use Planning Analysis

CC: Shawn Kiernan, MDP
Sharon VanEmburch, Town Attorney
Tom Hamilton, Town Planner, Town of Easton
Sandy Coyman, Planning Officer, Talbot County
Matthew J. Power, Deputy Secretary, MDP
Richard Josephson, Director of Planning Services, MDP
Melissa Appler, MDP



EASTON AIRPORT
 COUNTY COMMISSIONERS OF TALBOT CO.
 466.66A,
 P.104
 1 OF 2

NORTH EASTON
 SUB-DIV.
 33 40

- Legend**
- Easton Hospital Site
 - Municipal PFA
 - Municipal PFA Comment Area
 - Annexed but not PFA
 - PFA
 - PFA Comment Area

PRIORITY FUNDING AREAS Easton, Maryland



Maryland Department of Planning
 March 2010

