

1 **..Title**

2 **Lease of City Property: Spring 2016 Boat Shows** – For the purpose of authorizing a lease of  
3 certain municipal property located in the areas of Susan Campbell Park, Annapolis City Donner  
4 Parking Lot, Ego Alley Water Space, and Old City Recreation Center and other property and  
5 water locations as described in the lease to Cruisers University, Inc., t/a Annapolis Spring  
6 Sailboat Show, in April 2016, to conduct boat shows.

7 **..Body**

8 **CITY COUNCIL OF THE**  
9 **City of Annapolis**

10 **Ordinance 45-15**

11 **Introduced by: Mayor Pantelides**

12  
13  
14  
15 **Referred to:**

16 **Economic Matters Committee**

17 **Environmental Matters Committee**

18  
19 **A ORDINANCE** concerning

20  
21 **Lease of City Property: Spring 2016 Boat Shows**

22  
23 **FOR** the purpose of authorizing a lease of certain municipal property located in the areas of  
24 Susan Campbell Park, Annapolis City Donner Parking Lot, Ego Alley Water Space, and  
25 Old City Recreation Center and other property and water locations as described in the  
26 lease to Cruisers University, Inc., t/a Annapolis Spring Sailboat Show, in April 2016,  
27 to conduct boat shows.

28  
29 **WHEREAS**, Cruisers University, Inc., t/a Annapolis Spring Sailboat Show, desires to lease  
30 certain municipal property for the purpose of conducting boat shows; and

31  
32 **WHEREAS**, the Annapolis City Council believes that these proposed boat shows would inure  
33 to the benefit of the City; and

34  
35 **WHEREAS**, a lease setting forth details of the rental has been prepared and is considered  
36 satisfactory; and

37  
38 **WHEREAS**, Article III, Section 8 of the Charter of the City of Annapolis requires the passage  
39 of an ordinance to authorize the lease.

40  
41 **NOW THEREFORE**,

42  
43 **SECTION I: BE IT ESTABLISHED AND ORDAINED BY THE ANNAPOLIS**  
44 **CITY COUNCIL** that the proposed lease between the City of Annapolis and Cruisers  
45 University, Inc., t/a Annapolis Spring Sailboat Show, for the rental of certain municipal  
46 property in the area of Susan Campbell Park, Annapolis City Donner Parking Lot, Ego Alley

1 Water Space, and Old City Recreation Center and other property and water locations in April  
2 2016 specifically described in the lease, a copy of which is attached hereto and made a part  
3 hereof, more specifically described in the attached lease, is hereby approved and the Mayor is  
4 hereby authorized to execute the lease on behalf of the City of Annapolis.

5  
6 **SECTION II: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE**  
7 **ANNAPOLIS CITY COUNCIL** that it is expressly found by the City Council that the property  
8 to be leased will better serve the public need for which the property was acquired by stimulating  
9 local interest in the boating industry, encouraging visitors and residents of the City to visit the  
10 harbor and dock area, by generating tax revenues and rental income to the City and otherwise  
11 providing economic benefits to the City.

12  
13 **SECTION III: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY**  
14 **THE ANNAPOLIS CITY COUNCIL** that this Ordinance shall take effect from the date of its  
15 passage.

16  
17  
18 **EXPLANATION**

19 CAPITAL LETTERS indicate matter added to existing law.

20 ~~Strikethrough~~ indicates matter stricken from existing law.

21 Underlining indicates amendments  
22  
23

**CITY OF ANNAPOLIS BOAT SHOW LEASE AGREEMENT**

**(Spring 2016)**

Authorized by O-45-15

**THIS BOAT SHOW LEASE AGREEMENT (“Lease”)** is made this \_\_\_\_day of \_\_\_\_\_, 201\_, by and between the City of Annapolis, a municipal corporation of the State of Maryland (the “Lessor”), and Cruisers University, Inc., a Maryland corporation, trading as Annapolis Spring Sailboat Show (collectively, the “Lessee”).

**ARTICLE I**

**Section 1.1. Premises and Term:**

(a) The Lessor hereby leases to the Lessee those parcels of land and water described below (collectively, the “Premises”), and as further designated on **Exhibit A**, attached hereto and incorporated into this Lease. The Premises shall not include the sidewalk on Dock Street between Craig Street and the State-owned property at the end of Dock Street, which are to be left open for public access subject to the terms of this Lease.

- i. Water parcel from Charter Dock channel-ward into the Spa Creek moorings from Monday, April 18, 2016 at 12:01 AM through Tuesday, April 26, 2016 at 5:00 PM.
- ii. (Optional) Ego Alley Parcel from Monday, April 18, 2016 at 5:00 PM through Monday, April 25, 2016 at 8:00 PM. The Lessee’s use of the Ego Alley Parcel shall be contingent on the Lessee obtaining a signed separate agreement with CMT (defined below) in which, during the period specified in this subsection, CMT is permitted to use Slips 19 and 20 in exchange for the Lessee using sixty feet (60’) of boardwalk currently leased to CMT. A copy of such separate agreement shall be provided to the Lessor.
- iii. (Optional) Donner Parking Lot Parcel from Tuesday, April 19, 2016 at 7:00 AM through Tuesday, April 26, 2016 at 5:00 PM. The Lessee’s use of the Donner Parking Lot Parcel shall be contingent on whether the Lessee is able to use the Ego Alley Parcel, specified in Section 1.1(a)(ii) above.
- iv. (Optional) Newman Lot Parcel from Tuesday, April 19, 2016 at 7:00 AM through Tuesday, April 26, 2016 at 5:00 PM. The Lessee’s use of the Newman Lot shall be contingent on the Lessee obtaining a signed letter of permission from or a separate agreement with the owners of this Parcel (110 Compromise Street), including the adjacent boardwalk and dock (formerly, “Chandler, LLC” and/or "Fawcett's") for use of this space. A copy of such letter of permission or separate agreement shall be provided to the Lessor.

1 v. The State Dock Parcel (or the North Bulkhead City Dock Parcel) adjacent to Susan  
2 Campbell Park, from Tuesday, April 19, 2016 at 5:00 PM through Tuesday, April 26,  
3 2016 at 5:00 PM loaned to the NSHOF (defined below) by the Lessor under the terms  
4 of a Memorandum of Understanding between the State of Maryland, Department of  
5 Natural Resources, the Lessor and the NSHOF dated November 18, 2005 as amended  
6 by Addendum dated October 23, 2006. The Lessee shall obtain a letter of permission  
7 from the NSHOF prior to using this Parcel. A copy of such letter of permission shall  
8 be provided to the Lessor.

9  
10 vi. PG Street Compound from Monday, April 18, 2016 at 12:01 AM through Tuesday,  
11 April 26, 2016 at 5:00 PM.

12  
13 (b) Any separate agreement(s) and/or letter(s) of permission obtained pursuant to  
14 Section 1.1(a) of this Lease, as may be needed, shall be attached to this Lease as **Exhibit B** upon  
15 execution and completion. Such attachment may occur after full execution of this Lease.

16  
17 (c) The Lessee shall only use the Premises for the purpose of holding a boat show  
18 (the "Show").

19  
20 (d) The Lessee shall hold the Show on the Premises only during the dates and times  
21 described above in this Section 1.1 (collectively, the "Term").

22  
23 (e) The Premises shall not be open to the public before 10:00 AM or after 6:30 PM  
24 during the Term of this Lease. This time restriction shall not apply to private events authorized  
25 by the Lessee.

26  
27 Section 1.2. Rent:

28  
29 (a) Except as may be adjusted by Sections 1.4 and/or 2.3 of this Lease, the "Rent"  
30 shall be the greater of either: (i) thirty-five percent (35%) of the Lessee's gross receipts (after  
31 deduction of admission taxes) from the Lessee's sale of tickets for admission to the Show during  
32 the Term of this Lease (collectively, the "Ticket Sales") or, (ii) Fourteen Thousand One Hundred  
33 Seventy-Four Dollars (\$14,174.00) (the "Minimum Payment").

34  
35 (b) The Lessee shall pay the Lessor the Rent, in full, within thirty (30) calendar days  
36 of the close of the Shows. If the Rent is based on the Ticket Sales, rather than the Minimum  
37 Payment, then the Rent shall be paid to the Lessor simultaneously with the Lessee's payment of  
38 its State of Maryland admissions tax. The Lessee shall also submit a copy of its Maryland State  
39 Admissions and Amusement tax report/return and such other proof of gross receipts from the  
40 Ticket Sales as may be reasonably requested by the Lessor's Director of Finance to: Director  
41 Department of Finance at 160 Duke of Gloucester Street, Annapolis, Maryland 21401. Copies of  
42 such payment and proof of gross receipts shall be provided to the Lessor's Harbormaster at 1  
43 Dock Street, Annapolis, Maryland 21401.

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1           Section 1.3. City Fees:

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3           (a)     In addition to the Rent, the Lessee shall reimburse the Lessor the sum of Zero  
4 Dollars (\$0.00) for the costs incurred by the Lessor as a result of the Lessee's use of the  
5 Premises, including, but not limited to, utilities, inspections, parking and transportation, facilities  
6 and services, trash and recycling services, police services, fire services, and other safety services  
7 (collectively, the "City Fees"). The Lessee shall pay the Lessor the City Fees, in full, at the same  
8 time the Lessee pays the Rent.

9  
10           (b)     *Police Services:* In exchange for the City Fees, the Lessor shall provide police  
11 services related to traffic control outside the Premises, security for the Lessee's office within the  
12 Premises, and liaison with the Lessee's security guards inside the Premises.

13  
14           (c)     *Fire Services:* In exchange for the City Fees, the Lessor shall provide fire  
15 protection as required for the Show. Following the erection of all booths and other Show  
16 structures as described in Article VII of this Lease, but before the Show opens, the parties shall  
17 meet at the Premises to assure compliance with the Lessor's Fire Department regulations and  
18 accessibility of fire lanes and turning radius. No open flame devices or running of watercraft  
19 propulsion engines shall be permitted on the Premises during the open hours of the Show.

20  
21           (d)     *Utilities:* In exchange for the City Fees, the Lessor shall provide water and  
22 electricity as required for the Show. The Lessee, at its own expense, shall install all temporary  
23 electrical equipment, lines and devices required to provide power to the Premises in compliance  
24 with the National Electric Code.

25  
26           (e)     *Trash and Recycling:* In exchange for the City Fees, the Lessor shall provide an  
27 adequate number of trash and recycling dumpsters outside the Premises for the use by the Lessee  
28 during the Term of this Lease, and the Lessor shall also provide for the prompt removal of all  
29 trash, refuse and recycling materials deposited into these dumpsters during the Show. The  
30 Lessee, at its sole expense, shall provide an adequate and equal number of trash and recycling  
31 containers for its use within the Premises during the Term of this Lease, shall regularly empty  
32 such containers into the Lessor-provided dumpsters, and shall also provide for the prompt  
33 removal of all such containers from the Premises after the Show.

34  
35           Section 1.4. Revisions to the Premises:

36  
37           (a)     The Lessor shall have the right to decrease the area of the Premises in order to  
38 reflect any change in ownership or infrastructure, provided written notice is furnished to the  
39 Lessee on or before November 1, 2015. In the event the total Premises area (measured in square  
40 feet) is reduced by any action of the Lessor under this Section 1.4, the Rent due and payable shall  
41 be reduced in direct proportion to the reduction in total Premises area. The Lessee shall present  
42 documentation including measurements and calculations to support any claim of reduced  
43 Premises.

44  
45           (b)     The Lessee shall have the right to request to decrease the area of the Premises in  
46 order to reflect any change in the Shows, provided a written request is furnished to the Lessor on

1 or before November 1, 2015. Any such change shall be subject to the Lessor's written approval,  
2 which approval shall not be unreasonably withheld. If such a decrease is approved by the Lessor,  
3 the Lessee shall be entitled to a pro rata reduction in the Rent, but only if the Rent is based on the  
4 Minimum Payment. The Lessee shall not be entitled to a reduction in the percentage of Ticket  
5 Sales due to the Lessor if the Rent is based on such Ticket Sales.

6  
7 (c) Any increase in the area of the Premises requires an amendment to this Lease,  
8 signed by both parties.

## 9 10 ARTICLE II

11  
12 Section 2.1. Number of Days: The Lessor grants to the Lessee the right to add one (1)  
13 day at the end of the Show for general public admission. The Lessee shall also have the right, in  
14 its sole discretion, to reduce the number of days of the Show. The Lessee shall provide written  
15 notice of such intention no later than thirty (30) calendar days before the opening of the Show  
16 governed by this Lease.

17  
18 Section 2.2. Adjustment to Rent: The Rent, but only if based on the Minimum Payment,  
19 and the City Fees shall be increased or reduced proportionately if the Lessee exercises its rights  
20 to extend or shorten the number of Show days pursuant to Section 2.1. All of the other provisions  
21 of the Lease shall remain in full force and effect.

## 22 23 ARTICLE III

### 24 25 Section 3.1. Use of the Premises:

26  
27 (a) The Lessee is authorized to use existing and normal ingress to and egress from the  
28 Premises, and existing and normal street and harbor lighting, all without additional charge.

29  
30 (b) Amplified music or other amplified sound on the Premises shall not exceed the  
31 maximum decibel levels specified in Chapter 11.12 of the City Code, as may be amended.

32  
33 (c) The Lessee shall be prohibited from selling alcoholic and non-alcoholic beverages  
34 on the Premises during the Show.

35  
36 (d) The Lessee shall submit to the Lessor an initial diagram of its proposed use of the  
37 Premises at least thirty (30) calendar days prior to the Show, and shall continue to submit  
38 updates of such diagram (as needed) up to the date of the opening of the Show. The Lessor shall  
39 obtain final Lessor approval of the final (updated) diagram prior to opening the Show, which  
40 approval shall not unreasonably be withheld or delayed.

41  
42 Section 3.2. Pre-Show Meetings and Inspection: At no additional cost to the Lessee and  
43 prior to the opening of the Show, representatives of the Lessor's Department of Neighborhood  
44 and Environmental Programs, Police Department, Fire Department, Office of Emergency  
45 Management, Harbormaster, and Department of Public Works shall inspect the Premises and  
46 nearby areas with the Lessee's representative(s) to determine compliance with Lessor

1 requirements, and for determination of the condition of the Premises. Written approval by  
2 representatives of these Lessor departments shall be required before the Lessee may open the  
3 Show. The opening of the Show shall not be delayed by any Lessor department whose  
4 representative is not present for this pre-inspection. The Lessor shall not refuse permission to  
5 open the Show or any part of the Show under this Section unless a threat to health or safety has  
6 been identified. The Lessor shall make every effort to limit that part of the Show not opened in  
7 the event of such threat, and to allow the Lessee to open the closed portion of the Show as soon  
8 as the threat is abated to the Lessor's satisfaction.

9  
10 Section 3.3. Transportation: The Lessee shall prepare and submit a written  
11 "Transportation Plan" with a parking element to the Lessor's Director of Transportation at 308  
12 Chinquapin Round Road, Annapolis, Maryland 21401, with a copy to the Lessor's Harbormaster  
13 at 1 Dock Street, Annapolis, Maryland 21401. The Transportation Plan shall address matters  
14 specified by the Lessor's Director of Transportation, and shall be submitted to that director no  
15 later than April 15, 2016. Except for public ways within the Premises, the Transportation Plan  
16 shall not provide for the closure of any street or restrict parking to only those associated with the  
17 Show. Moreover in publicizing the Show, the Lessee shall direct all persons attending the Show  
18 to park their vehicles at satellite lots and ride a shuttle to the site of the Show. Upon receipt of  
19 the Transportation Plan, the Lessor's Director of Transportation shall make copies available to  
20 all relevant agencies, including, but not limited to, those listed in Section 3.2, and to interested  
21 parties who have requested a copy.

## 22 ARTICLE IV

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24  
25 Section 4.1. Insurance: The Lessee, at its sole expense, shall obtain and keep in full  
26 force and effect comprehensive commercial general liability insurance of no less than Two  
27 Million Dollars (\$2,000,000.00) combined single limit, bodily injury and property damage, and  
28 Eight Million Dollars (\$8,000,000.00) umbrella policy, which shall be effective during the  
29 Lease's Term and the entire period of time during which the Lessee shall use or occupy the  
30 Premises or any part of the Premises.

31  
32 Section 4.2. Additional Insured: The insurance policy or policies shall specifically name  
33 the "City of Annapolis, its elected officials, appointees, directors, employees, agents, contractors  
34 and representatives" as additional insureds, and insure against any and all loss, costs, damages,  
35 and expenses suffered by any person or to any property, including property owned by the Lessor,  
36 due to or alleged to be due to an act, omission or the negligence of the Lessee, its officers,  
37 agents, employees, vendors, subtenants or contractors, directly or indirectly, in connection with  
38 this Lease or the use of the Premises or any part of the Premises by the Lessee, its officers,  
39 agents, employees, vendors, subtenants or contractors.

40  
41 Section 4.3. Insurer: The Lessee's insurer or insurers shall be authorized to write the  
42 required insurance, approved by the Insurance Commissioner of the State of Maryland, and  
43 subject to the approval of the Lessor's City Attorney. The form and substance of the Lessee's  
44 insurance policy or policies shall also be subject to reasonable approval by the Lessor's City  
45 Attorney, and shall be submitted to the City Attorney at 160 Duke of Gloucester Street,  
46 Annapolis, Maryland 21401, with a copy to the Lessor's Harbormaster at 1 Dock Street,

1 Annapolis, Maryland 21401, for such approval not less than thirty (30) calendar days prior to the  
2 Lessee's occupancy of the Premises. The policy or policies of insurance shall then be secured by  
3 the Lessee and filed with the City Attorney not less than fifteen (15) calendar days prior to the  
4 Lessee's occupancy of the Premises. No approvals pursuant to this Section 4.3 shall be  
5 unreasonably withheld or delayed.  
6

7 Section 4.4. Notice: The certificate for each insurance policy or policies shall contain a  
8 statement on its face that the insurer will not cancel the policy or fail to renew the policy,  
9 whether for nonpayment of premium, or otherwise, whether at the request of the Lessee or for  
10 any other reason, except after thirty (30) calendar days advance written notice mailed by the  
11 insurer or the Lessee to the Lessor's City Attorney, and that such notice shall be transmitted  
12 postage prepaid, return receipt requested.  
13

14 Section 4.5. Lessee's Obligations: The obligations of the Lessee under this Article are  
15 part of but do not limit or satisfy the Lessee's obligations under the remainder of this Lease.  
16

## 17 ARTICLE V

18

19 Section 5.1. Indemnity: The Lessee shall forever indemnify, defend and hold harmless  
20 the Lessor, its elected officials, appointees, directors, employees, agents, contractors and  
21 representatives, from and against any and all claims, suits, actions, judgments, and liability for  
22 loss, injury, damages and/or expenses suffered or alleged to have been suffered during the  
23 Lease's Term by any person or to any property due to or alleged to be due to an act, omission or  
24 the negligence of the Lessee, its officers, agents, employees, vendors, subtenants or contractors,  
25 directly or indirectly, in connection with this Lease or the use and occupancy of the Premises or  
26 any part of the Premises, by the Lessee, its officers, agents, employees, vendors, subtenants or  
27 contractors.  
28

29 Section 5.2. Reimbursement: The Lessee shall reimburse the Lessor, within thirty (30)  
30 calendar days after demand for such reimbursement, for any damage done to the Lessor's  
31 buildings, facilities, equipment or property caused by an act, omission or the negligence of the  
32 Lessee, its officers, agents, employees, vendors, subtenants or contractors, during the Lease's  
33 Term or the Lessee's use and occupancy of the Premises or any part of the Premises. The Lessee  
34 may request the Lessor to provide reasonably sufficient documentation or other proof of such  
35 damage prior to any reimbursement. If the Lessee disputes any request for reimbursement, it may  
36 appeal such request to the City Manager and/or his/her authorized designee for review and  
37 reconsideration.  
38

## 39 ARTICLE VI

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41 Section 6.1. Security: The Lessee shall contract with and pay, as independent  
42 contractors, security guards from an agency duly licensed by the State of Maryland, in numbers  
43 sufficient to maintain security, peace and order at the Show inside the Premises during the  
44 entirety of the Lease's Term.  
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## ARTICLE VII

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3        Section 7.1. Interior Construction: The Lessee shall have the right to construct, install or  
4 erect seats, platforms, booths, tanks, scaffolding, rigging, floating piers, pilings, docks, catwalks,  
5 tents, exhibits, and any other apparatus or structure which the Lessee may deem necessary or  
6 desirable for the purpose of presenting the Show. The Lessee shall have the right to erect and  
7 construct a temporary fence so as to enclose the Premises in such a manner as to limit entry onto  
8 the Premises through controlled entrances. Such fence shall not contain barbed wire, razor wire  
9 or any similar materials.

10  
11        Section 7.2. Exterior Construction: Wherever necessary to provide for pedestrian traffic,  
12 the Lessee shall erect and construct temporary wooden sidewalks outside of the Premises where  
13 the existing sidewalks are enclosed in the Premises by a temporary fence described in Section  
14 7.1. All temporary sidewalks shall be handicap accessible and illuminated during hours of  
15 darkness, and maintained by the Lessee in a safe and secure condition.

16  
17        Section 7.3. ADA and Other Permits: The Lessee hereby assumes exclusive  
18 responsibility for compliance with any and all applicable provisions of the Americans with  
19 Disabilities Act of 1990 (ADA), as amended from time to time, at the Premises, during the entire  
20 time that the Lessee uses or occupies the Premises or any part of the Premises. Subject to the  
21 inspection provisions of Section 3.2 of this Lease, and to standard public safety and health  
22 approvals, any and all permits, licenses or authorizations required to be obtained from the Lessor  
23 by the Lessee during the Term of this Lease for the purpose of constructing or erecting the  
24 temporary structures described in this Article VII or for operating the Show, shall be deemed  
25 granted and issued upon the execution of this Lease by the Lessor and the Lessee. All other  
26 federal, state or county permits, which may be required, shall be the sole responsibility and  
27 expense of the Lessee.

## ARTICLE VIII

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31        Section 8.1. Cleanliness: The Lessee shall be responsible for keeping the Premises free  
32 of debris, trash and refuse, which shall be placed in the containers and the dumpsters specified in  
33 Section 1.3(e).

34  
35        Section 8.2. Sanitation and Toilets: The Lessee shall, at its sole expense, provide  
36 adequate and sanitary toilet facilities throughout the Premises for use by the general public and  
37 others attending or participating in the Show, including sufficient ADA compliant sanitary toilet  
38 facilities.

39  
40        Section 8.3. Trash and Public Safety Cooperation: The parties shall cooperate with each  
41 other and use their best efforts to ensure that there is prompt trash removal, public safety  
42 protection, and adequate traffic control during the designated period of use and occupancy by the  
43 Lessee of the Premises.

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1 **ARTICLE IX**  
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3 Section.9.1. Quiet Enjoyment: The Lessor covenants with the Lessee that at all times  
4 during the Term of this Lease, the Lessee shall peacefully hold and quietly enjoy the use and  
5 occupancy of the Premises without any disturbance or hindrance from the Lessor or from any  
6 other person claiming through the Lessor, except that the Lessor or others claiming through the  
7 Lessor may enter onto the Premises to effect necessary repairs to their own facilities as  
8 reasonably contemplated by the terms of this Lease, and to assure compliance with the terms of  
9 this Lease and all applicable laws. The Lessee shall cooperate with the Lessor to effect this  
10 access to the Premises.

11 **ARTICLE X**  
12

13 Section 10.1. Condition of Premises after Show: Upon the expiration or earlier  
14 termination of this Lease, the Lessee, at its sole expense, shall return the Premises to the Lessor  
15 in the same or superior condition than received, natural wear and tear excepted.  
16

17 Section 10.2. Lessee's Equipment after Show: Prior to the expiration or earlier  
18 termination of this Lease, the Lessee shall immediately remove all of its property, fixtures and  
19 chattels from the Premises. In the event that the Lessee, its officers, agents, employees, vendors,  
20 subtenants or contractors fail to remove any item of property, the Lessor reserves the right to  
21 remove and store any such property after the expiration or earlier termination of this Lease at the  
22 Lessee's sole expense, or as an alternative, to leave the property at the Premises. In either case,  
23 the Lessor shall charge the Lessee a per diem rental for storage of such property. The Lessor  
24 shall bear no responsibility or liability for damage to or expense incurred as a result of property  
25 left, removed or stored under the provisions of this Section. The Lessee shall pay to the Lessor  
26 any expenses or charges due pursuant to this Section within thirty (30) calendar days after receipt  
27 of a bill from the Lessor.  
28

29 Section 10.3. Post-Shows Inspection: Within ten (10) calendar days following the  
30 expiration or earlier termination of this Lease, the Lessee shall accompany the Lessor on a tour  
31 of the Premises to determine the condition of the Premises. Items corrected or repaired by the  
32 Lessor, and deemed by the Lessor to be the sole responsibility of the Lessee, shall be billed by  
33 the Lessor and paid by the Lessee within thirty (30) calendar days after receipt of such bill. The  
34 Lessee may request the Lessor to provide reasonably sufficient documentation or other proof of  
35 such items corrected or repaired by the Lessor prior to any payment. If the Lessee disputes any  
36 bill for an item corrected or repaired by the Lessor, it may appeal such bill to the City Manager  
37 and/or his/her authorized designee for review and reconsideration.  
38

39 **ARTICLE XI**  
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41 Section 11.1. Remedies: All duties, liabilities and/or obligations imposed upon or  
42 assumed by the Lessee or the Lessor by or under this Lease shall be taken or construed as  
43 cumulative, and the mention of any specified duty, liability or obligation imposed upon or  
44 assumed by the Lessee or the Lessor under this Lease shall not be taken or construed as a  
45 limitation or restriction upon any or all of the other duties, liabilities, or obligations imposed  
46

1 upon or assumed by the Lessee or the Lessor under this Lease. The remedies provided for in this  
2 Lease shall be construed to be cumulative and in addition to any other remedies provided in law  
3 or equity which the Lessor or the Lessee would have in any case. In no case shall a waiver by  
4 either party of the right to seek relief under this provision constitute a waiver of any other or  
5 further violation. The remedies provided in this Lease shall not be deemed exclusive of other  
6 remedies not specified.  
7

8 Section 11.2. Injunction: The Lessor shall have the right to seek and obtain in any court  
9 of competent jurisdiction an injunction, without the necessity of posting a bond, to restrain a  
10 violation or alleged violation by the Lessee of any term of this Lease, anything to the contrary  
11 notwithstanding.

## 12 ARTICLE XII

### 13 Section 12.1. Impossibility of Performance:

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16 (a) Notwithstanding any other terms or provisions of this Lease, in the event the  
17 Lessor is temporarily or permanently prevented, restricted or delayed in the performance of any  
18 or all of the duties and obligations imposed upon or assumed by it hereunder, by act of the  
19 General Assembly of Maryland or the City Council of Annapolis, by a court of competent  
20 jurisdiction, by administrative delay not due to the fault of the Lessor (and its members and  
21 agents), or by an unforeseen event, not due to the fault of the Lessor (and its members and  
22 agents), including but not limited to fire, casualty, acts of God, strikes or other unforeseen  
23 occurrences which render impossible the fulfillment of this Lease, then the Lessor shall not be  
24 liable directly or indirectly for any claims caused to or suffered by the Lessee or any other person  
25 in connection with or as a result of such prevention, restriction or delay, and the Lessee shall not  
26 be liable for the payment of Rent for the Term of the Lease. However, if such prevention,  
27 restriction or delay relates to not more than five percent (5%) of the Term of the Lease, the Show  
28 shall still be held and the Rent (only if based on the Minimum Payment) shall be prorated to  
29 account for the number of scheduled hours the Show is not open to the public.  
30

31 (b) The Lessee shall not be responsible for delays in the performance of any or all of  
32 the duties and obligations imposed upon or assumed by it hereunder caused solely by  
33 unforeseeable causes beyond its control or the control of its subcontractors or suppliers of  
34 materials, such as fire, casualty, acts of God, strikes, or other unforeseen occurrences. However,  
35 if such delay relates to not more than five percent (5%) of the Term of the Lease, the Show shall  
36 still be held and the Rent (only if based on the Minimum Payment) shall be prorated to account  
37 for the number of scheduled hours the Show is not open to the public.

38 (c) The Lessor and the Lessee shall work cooperatively to determine possible  
39 alternatives, solutions and/or remedies to any prevention, restriction, or delay that may occur.  
40

## 41 ARTICLE XIII

42  
43 Section 13.1. Payment: The Lessee shall make all payments due under this Lease by  
44 check, payable to the *City of Annapolis*. In addition to all other amounts due pursuant to this  
45 Lease, the Lessee shall pay the Lessor a monthly late fee of one and one-half percent (1.5%), or

1 eighteen percent (18%) per annum, of any payment more than sixty (60) calendar days past due,  
2 until paid.

3  
4 Section 13.2. Right to Audit: The Lessor shall have to right to receive and review a copy  
5 of the Lessee's Maryland State Admissions and Amusement tax report/return and any additional  
6 proof of gross receipts from the Ticket Sales as may be reasonably requested by the Lessor's  
7 Director of Finance to confirm that the Lessee has fulfilled its obligations under this Lease.

#### 8 9 **ARTICLE XIV**

10  
11 Section 14.1. Time is of the Essence: Time is of the essence in the performance of this  
12 Lease. Except as may be provided in this Lease or otherwise agreed to in writing by both parties,  
13 the times and deadlines specified in this Lease shall not be extended for any reason relating to  
14 the Term of the Lease and/or the installation or removal of equipment, materials, displays, or  
15 property from the Premises.

#### 16 17 **ARTICLE XV**

18  
19 Section 15.1. Assignment: The Lessee shall not assign, transfer, or otherwise dispose of  
20 this Lease without the prior written consent of the Lessor, but such consent shall not be  
21 unreasonably withheld or delayed. The foregoing shall not prevent the Lessee from subleasing  
22 portions of the Premises to Show exhibitors, provided the portion of the Premises subleased to  
23 any exhibitor does not exceed twenty-five percent (25%) of the total area of the Premises.

#### 24 25 **ARTICLE XVI**

26  
27 Section 16.1. Independent Contractor: The Lessee is an independent contractor and not  
28 the agent or employee of the Lessor. Under no circumstances shall this Lease be considered to  
29 create an employee or agency relationship or a partnership or joint venture between the parties.

#### 30 31 **ARTICLE XVII**

32  
33 Section 17.1. Liens: The Lessee hereby consents that the Lessor shall have a lien upon  
34 all property of the Lessee located from time to time upon the Premises for any and all unpaid  
35 charges which arise under this Lease. The Lessee hereby consents to and the Lessor shall have  
36 the power to impound and retain possession of such property until all such charges and late fees  
37 due pursuant to this Lease have been paid, in full, to the satisfaction of the Lessor. In the event  
38 such charges remain unpaid ten (10) calendar days after the expiration or earlier termination of  
39 this Lease, the Lessor shall have the power to sell such property at public auction and apply the  
40 receipts from such auction to all such unpaid charges.

#### 41 42 **ARTICLE XVIII**

43  
44 Section 18.1. Compliance with all Laws: The Lessee shall comply with all laws,  
45 ordinances, and statutes applicable to the Premises or any part of the Premises, and the use and  
46 occupancy thereof, and to pay all taxes or charges imposed by law in connection with the

1 Lessee’s use and occupancy of the Premises. Provided the Lessee is making good faith progress  
2 towards correcting any violation under this Section, the Lessee shall have a reasonable time to  
3 correct that violation, not to exceed sixty (60) calendar days.

4  
5 **ARTICLE XIX**  
6

7 **Section 19.1. Termination:** In the event the Lessee should materially default in  
8 performance of its obligations under this Lease, and such default continues for more than thirty  
9 (30) calendar days after the Lessor has given written notice to the Lessee of such default, the  
10 Lessor shall have the right to immediately terminate the Lease and/or to pursue reimbursement  
11 from the Lessee for any damages to the Lessor resulting from the Lessee’s material default of  
12 this Lease. For purposes of this Article XIX, “materially default” and/or “material default” shall  
13 mean one (1) or more of the following:  
14

- 15 (a) If any representation or warranty, expressed or implied, of the Lessee and pertaining  
16 to this Lease shall prove at any time to be incorrect or misleading in any material  
17 respect either on the date when made or throughout the Term of this Lease; or  
18
- 19 (b) If the Lessee shall fail to comply, fail to fulfill, or otherwise violate any of the terms,  
20 conditions, or obligations contained in this Lease; or  
21
- 22 (c) If the Lessee becomes insolvent or generally does not pay its debts as they become  
23 due, or if a petition for relief is filed by the Lessee in a bankruptcy court, or if the  
24 Lessee applies for, consents to, or acquiesces in the appointment of a trustee,  
25 custodian, or receiver for the Lessee or any of its assets and property, or makes a  
26 general assignment for the benefit of creditors, or in the absence of such application,  
27 consent, or acquiescence, a trustee, custodian, or receiver is appointed for the Lessee  
28 or for a substantial part of the assets and property of the Lessee and is not discharged  
29 within thirty (30) calendar days; or  
30
- 31 (d) If any bankruptcy, reorganization, debt arrangement, or other proceeding or case  
32 under any bankruptcy or insolvency or any dissolution or liquidation proceeding is  
33 instituted against the Lessee and is consented to or acquiesced to by the Lessee or  
34 remains for sixty (60) calendar days undismissed; or  
35
- 36 (e) If the Lessee loses or forfeits its corporate status, or ceases to be in good standing  
37 with the State of Maryland.  
38

39 **ARTICLE XX**  
40

41 **Section 20.1. Immunities:** Nothing in this Lease shall be interpreted or construed to  
42 waive, in whole or in part, or to otherwise diminish, the Lessor’s statutory, common law or other  
43 immunities in any action in tort, in contract or in any other form. The parties agree that if any  
44 duty assumed by the Lessor under the terms of this Lease or any action taken by the Lessor  
45 pursuant to any such term is construed to waive, in whole or in part, any such immunity, then the

1 immunity shall nevertheless be fully restored, and shall bind and protect the parties as a  
2 contractual undertaking.

3 **ARTICLE XXI**

4  
5 Section 21.1. Lessee’s Representations: The Lessee hereby represents and warrants the  
6 following:

7  
8 (a) The Lessee is a corporation(s), duly formed and validly existing under the laws of  
9 the State of Maryland and is qualified to do business and is in good standing in the State of  
10 Maryland.

11  
12 (b) The Lessee has the power and authority to consummate the obligations and  
13 responsibilities contemplated hereby, and has taken all necessary action to authorize the  
14 execution, delivery and performance required under this Lease.

15  
16 (c) The Lessee has obtained and shall continue to maintain, at its sole expense, such  
17 licenses and certifications as are necessary for the Show and as required pursuant to this Lease,  
18 and shall present such licenses or certifications to the Lessor upon its request.

19  
20 **ARTICLE XXII**

21  
22 Section 22.1 Authority: This Lease is authorized by Ordinance O-45-15 adopted by the  
23 City Council of the City of Annapolis.

24  
25 **IN WITNESS WHEREOF**, the Lessor, by and through its duly authorized agent, has  
26 caused this Lease to be executed on its behalf, and the Lessee, by and through its duly authorized  
27 agent, has duly executed this Lease on the date first written above. Witness the signatures and  
28 seals of the parties.

29  
30 **Cruisers University, Inc. trading as**  
31 **Annapolis Spring Sailboat Show**

32  
33  
34 \_\_\_\_\_  
35 Witness

36  
37  
38 By: \_\_\_\_\_  
39 Paul Jacobs, President (Seal)

40  
41  
42 ATTEST:

43 **City of Annapolis, Maryland**

44  
45  
46 \_\_\_\_\_  
Regina C. Watkins-Eldridge, MMC,  
City Clerk

47  
48 By: \_\_\_\_\_  
49 Michael J. Pantelides (Seal)  
50 Mayor

1 REVIEWED AND APPROVED BY:

2

3

4

5 \_\_\_\_\_  
6 Thomas Andrews, City Manager

6

7 APPROVED FOR FINANCIAL SUFFICIENCY:

8

9

10

11 \_\_\_\_\_  
12 Bruce T. Miller, Director  
13 Finance Department

13

14 APPROVED FOR FORM AND LEGAL SUFFICIENCY:

15

16

17

18 \_\_\_\_\_  
19 Michael G. Leahy, City Attorney

19

20