

1 **CITY OF ANNAPOLIS BOAT SHOW LEASE AGREEMENT**

2
3 **(Fall 2019)**

4
5 Authorized by O-~~23-13-~~ -1

6
7 **THIS BOAT SHOW LEASE AGREEMENT ("Lease")** is made this ____ day
8 of _____, ~~2013,201~~ by and between the City of Annapolis, a municipal
9 corporation of the State of Maryland (~~"the~~ "Lessor"), and the United States Sailboat
10 Show, Inc., and the United States Powerboat Show, Inc., Maryland corporations
11 (jointly and severally, the "Lessee").

12
13 _____ **Article ARTICLE I**

14
15 **Section 1.1. Premises and Term:**

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17 ~~(a) The Lessor hereby leases to the Lessee, for the purpose those parcels~~
18 ~~of holding two boat shows, from October 1, 2018 at 12:01 a.m. (September 29, 2013 at~~
19 ~~12:01 a.m. for the Fleet Parking Lot) through October 17, 2018 at 11:59 p.m., inclusive,~~
20 ~~that property land and water shown and described in below (collectively, the~~
21 ~~"Premises"), and as further designated on Exhibit A of, attached hereto and~~
22 ~~incorporated into this Lease ("Premises"). The Premises includes shall include the~~
23 ~~Lessor's right and interest in the Chandler, LLC boardwalk and dock (formerly,~~
24 ~~"Fawcett's Lot") pursuant to an agreement between the Lessor and Chandler, LLC,~~
25 ~~unless the such agreement has been terminated for any reason prior to the lease period~~
26 ~~stated above, but does this Lease's Term (as defined below). The Premises shall~~ not
27 include the sidewalk on Dock Street between Craig Street and the ~~Stated State-~~owned
28 property at the end of Dock Street, which are to be left open for public access subject to
29 the terms of this Lease.

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31 ~~Section 1.2. Revisions to Premises: Lessor shall have the right to change the~~
32 ~~area of the Premises from time to time in order to reflect any change in ownership or~~
33 ~~infrastructure. If the total area of the Premises (exclusive of the Edgewood Road~~
34 ~~property referenced below) is reduced pursuant to this paragraph by five percent (5%)~~
35 ~~or more of the total area, Lessee shall be entitled to a pro rata reduction in the Base~~
36 ~~Rent. If the total area of the Premises is reduced pursuant to this paragraph by ten~~
37 ~~percent (10%) or more of the total area, Lessee shall have the right to a pro rata~~
38 ~~reduction in the Base Rent or to terminate the Lease. If the Base Rent is determined by~~
39 ~~using Ticket Sales Base Rent, then the reduction shall be calculated by reducing the~~
40 ~~fifty percent (50%) multiplier referenced in Section 1.3(a) to reflect the area reduction~~
41 ~~(e.g., if the Premises are reduced ten percent (10%), then the Base Rent shall equal~~
42 ~~[50% x 90%] x gross ticket receipts. If the Base Rent is determined using Minimum~~
43 ~~Base Rent, then the reduction shall be determined by using Minimum Base Rent, and~~
44 ~~the reduction shall be calculated by reducing the Base Rent by the percentage of the~~
45 ~~reduction of the total area. For purposes of this Section, the Edgewood Road property~~
46 ~~referenced below shall not be included in Premises area calculations or in rent~~
47 ~~adjustments.~~

48
49 **Section 1.3. Rent:** Except as provided in Section 2.3, Base Rent shall be (a) the greater
50 of (i) 50% of

51 i. Newman Street Parking Lot from Friday, October 4, 2019 at 12:01 AM
52 through Wednesday, October 23, 2019 at 6:00 PM.

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- ii. Prince George Street from Wednesday, October 2, 2019 at 12:01 AM through Wednesday, October 23, 2019 at 6:00 PM.
- iii. Boat moorings 1-13, 16-20 and 27, as depicted on Exhibit B (attached hereto and incorporated herein) from Sunday, October 6, 2019 at 6:00 PM through Wednesday, October 23, 2019 at 6:00 PM.
- iv. The Susan Campbell Park Parcel, Dock Street Parking Parcels A, B, C and D, and Dock Street from Randall Street to the water, expressly excepting public access roads and sidewalks from Randall Street to and through Craig Street (as depicted on Exhibit A) and the sidewalk exclusion specified above, from Sunday, October 6, 2019 at 6:00 PM through Wednesday, October 23, 2019 at 6:00 PM.
- v. All twenty (20) of Lessor's boat moorings, # 41-60, located in St. Mary's Cove, Spa Creek, from Sunday, October 6, 2019 at 6:00 PM through Wednesday, October 23, 2019 at 6:00 PM.
- vi. Edgewood Road/7090 Bembe Beach Road from Sunday, October 6, 2019 at 6:00 PM through Sunday, October 4, 2020 at 6:00 PM (i.e. year round).

(b) Except for Edgewood Road/7090 Bembe Beach Road, the Lessee shall only use the Premises for the purpose of holding two (2) boat shows (each a "Show" and collectively, the "Shows").

(c) Except for Edgewood Road/7090 Bembe Beach Road, the Lessee shall hold the Shows on the Premises only during the dates and times described above in this Section 1.1 (collectively, the "Term").

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

Section 1.2. Rent:

(a) Except as may be adjusted by Sections 1.4 and/or 2.3 of this Lease, the "Rent" shall be the greater of either: (i) fifty percent (50%) of the Lessee's gross receipts (after deduction of admission taxes) from the Lessee's sale by Lessee of tickets for admission to the boat shows for Shows during the term stated above (Term of this Lease (collectively, the "Ticket Sales-Base Rent") or, (ii) Three Hundred SeventyEighty-Five Thousand Nine Hundred Fifty Dollars (\$375,950.00) ("Minimum Base Rent"), plus (b) if the Lessee uses the Edgewood Road property, Two Thousand Sixty Dollars (\$2,060.00) each year used ("Edgewood Road Rent"). 385,000.00) (the "Minimum Payment").

(b) The Lessee shall pay the Lessor the Minimum Base Rent, in full, within thirty (30) calendar days of the close of the boat shows. Any further monies over Shows. If the Rent is based on the Ticket Sales, rather than the Minimum Base Rent due to Lessor as a result of ticket sales Payment, then the Rent shall be paid by Lessee to the Lessor simultaneously with the Lessee's payment of its State of Maryland admissions tax. Proof The Lessee shall also submit a copy of its Maryland State

1 Admissions and Amusement tax report/return and such other proof of gross receipts
2 from the Ticket Sales as may be reasonably requested by the Lessor's Director of
3 Finance to: Director Department of Finance at 160 Duke of Gloucester Street,
4 Annapolis, Maryland 21401. Copies of such payment and proof of gross receipts from
5 ticket sales shall be supplied at that time by Lessee provided to the Lessor's
6 Harbormaster at 1 Dock Street, Annapolis, Maryland 21401.

7
8 Section 1.3. City of Annapolis Director of Finance in a form satisfactory to the
9 Director of Finance. Fees:

10
11 (a) In addition to the Base Rent, Rent, the Lessee shall reimburse the Lessor
12 the sum of Thirty-Eight Thousand Six Hundred Twenty-Five Dollars (\$38,625.00) for the
13 costs incurred by the Lessor as a result of the Lessee's use of the Premises, including,
14 but not limited to, utilities, inspections, parking and transportation, facilities and
15 services, trash and recycling services, police services, fire services, and other safety
16 services (collectively, the "City Fees"). The Lessee shall pay the Lessor Additional Rent
17 equal to Twenty-Five Thousand Seven Hundred Fifty Dollars (\$25,750.00) toward the
18 costs incurred by the City in providing electricity, water, inspections and public safety
19 services to the boat shows and in providing increased public services during the boat
20 shows. Lessee shall pay Lessor the Additional Rent and, if applicable, the Edgewood
21 Road rent the City Fees, in full, at the same time the Lessee pays the Minimum Base
22 Rent.

23
24 Article II

25
26 Section 2.1. Number of Days: Lessor grants to Lessee the right to add one day
27 at the end of either or both of the two boat shows for general public admission. Lessee
28 shall have the right, in its sole discretion, to reduce the number of days of either or both
29 of the boat shows. Lessee shall provide written notice of such intent no later than thirty
30 (30) before the opening of the first boat show governed by this Lease.

31
32 Section 2.2. Other Boat Shows: Lessor shall not lease the Premises for the
33 purpose of holding boat shows on the Premises from June 1 through November 30 in
34 the year of 2018. Lessee may, within its sole discretion, provide written authority to
35 waive these restrictions. These restrictions shall be deemed to be waived by Lessee
36 automatically as to either boat show reduced to less than one 10-hour day under
37 Section 2.1.

38
39 Section 2.3. Adjustment to Rent: The Minimum Base Rent and Additional Rent
40 shall be increased or reduced proportionately if Lessee exercises its rights to extend or
41 shorten the number of days pursuant to Section 2.1. Notice of any such extension or
42 shortening shall be given by Lessee in writing to Lessor by June 1, 2017. All of the
43 other provisions of the lease shall remain in full force and effect.

44
45 Article III

46
47 Section 3.1. Facilities and Services: Lessee shall have the use of the following
48 Lessor existing and normal street and harbor lighting, electricity, water supply, and
49 police and fire protection, all without additional charge.

50
51 Section 3.2. (b) Police Services: In exchange for the City Fees, the Lessor
52 shall provide police services related to traffic control outside the Premises, security for

1 the ~~boat show~~Lessee's office within the ~~Premise~~Premises, and liaison with the Lessee's
2 security guards inside the Premises ~~without additional charge~~.

3
4 Section 3.3-(c) Fire Services: In exchange for the City Fees, the Lessor
5 shall provide fire protection as required ~~without additional charge for the Shows~~.
6 Following the erection of all booths and other ~~boat show~~Show structures as described
7 in ~~Section 7.4~~Article VII of this ~~Agreement~~Lease, but before the ~~boat shows~~Shows
8 open, the parties shall meet at the Premises to assure compliance with the Lessor's
9 Fire Department regulations and accessibility of fire lanes and turning radius. No open
10 flame devices or running of watercraft propulsion engines shall be permitted on the
11 Premises during the open hours of the ~~boat shows~~Shows.

12
13 Section 3.4-(d) Utilities: In exchange for the City Fees, the Lessor shall
14 provide water and electricity ~~without additional charge as required for the Shows~~. The
15 Lessee, at its own expense, shall install all temporary electrical equipment, lines and
16 devices required to provide power to the Premises in compliance with the National
17 Electric Code. ~~Lessee shall be responsible for refuse removal as provided under~~
18 Section 8.1 hereof.

19
20 ~~Section 3.5. Parking and Transportation:~~ ~~Lessee shall coordinate with the City of~~
21 ~~Annapolis Department of Transportation all plans for the provision of any intra-city~~
22 ~~mode of transportation during the course of the boat shows. Prior to the opening of the~~
23 ~~boat shows, Lessee shall furnish to Lessor a written transportation plan which includes~~
24 ~~a parking element.~~

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

35
36 Section 1.4. Revisions to the Premises:

37
38 (a) The Lessor shall have the right to decrease the area of the Premises in
39 order to reflect any change in ownership or infrastructure, provided written notice is
40 furnished to the Lessee on or before April 1, 2019. In the event the total Premises area
41 (measured in square feet) is reduced by any action of the Lessor under this Section 1.4,
42 the Rent due and payable shall be reduced in direct proportion to the reduction in total
43 Premises area. The Lessee shall present documentation including measurements and
44 calculations to support any claim of reduced Premises.

45
46 (b) The Lessee shall have the right to request to decrease the area of the
47 Premises in order to reflect any change in the Shows, provided a written request is
48 furnished to the Lessor on or before April 1, 2019. Any such change shall be subject to
49 the Lessor's written approval, which approval shall not be unreasonably withheld. If
50 such a decrease is approved by the Lessor, the Lessee shall be entitled to a pro rata
51 reduction in the Rent, but only if the Rent is based on the Minimum Payment. The

1 Lessee shall not be entitled to a reduction in the percentage of Ticket Sales due to the
2 Lessor if the Rent is based on such Ticket Sales.

3
4 (c) Any increase in the area of the Premises requires an amendment to this
5 Lease, signed by both parties.
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7
8 **ARTICLE II**
9

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

17 Section 2.2. Other Boat Shows: The Lessor shall not lease the Premises for
18 the purpose of holding boat shows on the Premises from June 1st through November
19 30th in the year of 2019. The Lessee may, within its sole discretion, provide written
20 authority to waive this restriction. This restriction shall be deemed to be automatically
21 waived by the Lessee as to either Show reduced to less than one (1) ten (10) hour day
22 pursuant to Section 2.1.
23

24 Section 2.3. Adjustment to Rent: The Rent, but only if based on the Minimum
25 Payment, and the City Fees shall be increased or reduced proportionately if the Lessee
26 exercises its rights to extend or shorten the number of Show days pursuant to Section
27 2.1. All of the other provisions of the Lease shall remain in full force and effect.
28

29 **ARTICLE III**
30

31 Section 3.7.1. Use of the Premises:
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33 (a) The Lessee is authorized to use existing and normal ingress to and
34 egress from the Premises, and existing and normal street and harbor lighting, all
35 without additional charge.
36

37 (b) Amplified music or other amplified sound on the Premises shall not
38 exceed the maximum decibel levels specified in Chapter 11.12 of the City Code, as
39 may be amended.
40

41 (c) The Lessee shall submit to the Lessor an initial diagram of its proposed
42 use of the Premises at least thirty (30) calendar days prior to the Shows, and shall
43 continue to submit updates of such diagram (as needed) up to the date of the opening
44 of the Shows. The Lessee shall obtain final Lessor approval of the final (updated)
45 diagram prior to opening the Shows, which approval shall not unreasonably be withheld
46 or delayed.
47

48 Section 3.2. Pre-Show Meetings and Inspection: ~~Prior~~ At no additional cost to
49 the Lessee and prior to the opening of each ~~boat show~~Show, representatives of the
50 Lessor's Department of Neighborhood and Environmental Programs, Police
51 Department, Fire Department, Office of Emergency Management, Harbormaster, and
52 Department of Public Works shall inspect the Premises and nearby areas with the

1 Lessee's representative(s) to determine compliance with City Lessor requirements, and
2 for determination of the condition of the Premises. Written approval by representatives
3 of these Lessor departments ~~is shall be~~ required before the Lessee may open either
4 ~~boat show~~ Show. The opening of the ~~boat show~~ Shows shall not be delayed by any
5 Lessor department whose representative is not present for ~~the this~~ pre-inspection. The
6 Lessor shall not refuse permission to open either ~~boat show~~ Show or any part of the
7 ~~show~~ Shows under this ~~paragraph~~ Section unless a threat to health or safety has been
8 identified. The Lessor shall make every effort to limit that part of the ~~show~~ Show(s) not
9 opened in the event of such threat, and to allow the Lessee to open the closed portion
10 of the ~~show~~ Show(s) as soon as the threat is abated to the Lessor's satisfaction. ~~All~~
11 ~~other federal, state or county permits which may be required shall be the responsibility~~
12 ~~of the Lessee.~~

13
14 Section 3.8.3. Transportation: The Lessee shall prepare and submit a written
15 "Transportation Plan" with a ~~Parking Element~~ parking element to the Lessor's Director of
16 Transportation. ~~at 308 Chinquapin Round Road, Annapolis, Maryland 21401, with a~~
17 ~~copy to the Lessor's Harbormaster at 1 Dock Street, Annapolis, Maryland 21401.~~ The
18 Transportation Plan shall address matters specified by the Lessor's Director of
19 Transportation, and shall be submitted to that director no later than August ~~15, 2018,~~
20 2019. Except for public ways within the Premises, the Transportation Plan shall not
21 provide for the closure of any street or restrict parking to only those associated with the
22 ~~boat shows~~ Shows. Moreover in publicizing the ~~boat shows,~~ Shows, the Lessee shall
23 direct all persons attending the ~~event~~ Shows to park their vehicles at satellite lots and
24 ride ~~the~~ shuttle to the site of the ~~boat shows~~ Shows. Upon receipt of the Transportation
25 Plan, the Lessor's Director of Transportation shall make copies available to all relevant
26 agencies, including, but not limited to, those listed in Section 3.2, and to interested
27 parties who have requested a copy.

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ARTICLE IV

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

37
38 Section 4.2. Additional Insured: The insurance policy or policies shall
39 specifically name the "City of Annapolis, ~~and in their capacity as such, the officers,~~
40 ~~agents and its elected officials, appointees, directors,~~ employees ~~thereof,~~ agents,
41 contractors and representatives" as additional insureds, and insure against any and all
42 loss, costs, damages, and expenses suffered by any person or to any property,
43 including property owned by the Lessor, due to or alleged to be due to an act, omission
44 or the negligence of the Lessee, its officers, agents, employees, vendors, subtenants or
45 contractors, directly or indirectly, in connection with this Lease or the use of the
46 Premises or any part of the Premises by the Lessee, its officers, agents, employees,
47 vendors, subtenants or contractors.

48
49 Section 4.3. Insurer: The Lessee's insurer or insurers shall be authorized to
50 write the required insurance, approved by the Insurance Commissioner of the State of
51 Maryland, and subject to the approval of the Lessor's City Attorney. The form and
52 substance of the Lessee's insurance policy or policies shall also be subject to

1 reasonable approval by the Lessor's City Attorney, and shall be submitted to the City
2 Attorney at 160 Duke of Gloucester Street, Annapolis, Maryland 21401, with a copy to
3 the Lessor's Harbormaster at 1 Dock Street, Annapolis, Maryland 21401, for such
4 approval not less than thirty (30) calendar days prior to the Lessee's occupancy of the
5 Premises. The policy or policies of insurance shall then be secured by the Lessee and
6 filed with the City Attorney not less than fifteen (15) calendar days prior to the Lessee's
7 occupancy of the Premises. ~~No approval~~approvals pursuant to this Section 4.3 shall be
8 unreasonably withheld or delayed.

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

17
18 Section 4.5. Lessee's Obligations: The obligations of the Lessee under this
19 Article are part of but do not limit or satisfy the Lessee's obligations under ~~Article V~~the
20 remainder of this Lease.

21 22 ARTICLE V

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

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

45 46 ARTICLE VI

47
48 Section 6.1. Security: The Lessee shall contract with and pay, as independent
49 contractors, security guards from an agency duly licensed by the State of Maryland, in
50 numbers sufficient to maintain security, peace and order at the ~~beat shows~~Shows inside
51 the Premises during the ~~lease term~~entirety of the Lease's Term.

52

1 | ARTICLE VII

2 |
3 | Section 7.1. Interior Construction: ~~The~~ Lessee shall have the right to construct,
4 | install or erect seats, platforms, booths, tanks, scaffolding, rigging, floating piers, pilings,
5 | docks, catwalks, tents, exhibits, and any other apparatus or structure which ~~the~~ Lessee
6 | may deem necessary or desirable for the purpose of presenting the ~~boat shows.~~
7 | Shows. ~~The~~ Lessee shall have the right to erect and construct a temporary fence so as
8 | to enclose the Premises in such a manner as to limit entry onto the Premises through
9 | controlled entrances. ~~Such fence shall not contain barbed wire, razor wire or any~~
10 | ~~similar materials.~~

11 |
12 | Section 7.2. Exterior Construction: ~~Wherever necessary to provide for~~
13 | ~~pedestrian traffic, the~~ Lessee shall erect and construct temporary wooden sidewalks,
14 | ~~wherever necessary to provide for pedestrian traffic,~~ outside of the Premises where the
15 | existing sidewalks are enclosed in the Premises by a temporary fence described in
16 | Section 7.1. All temporary sidewalks shall be handicap accessible and illuminated
17 | during hours of darkness, and maintained by ~~the~~ Lessee in a safe and secure condition.
18 |

19 | Section 7.3. ADA and Other Permits: ~~The~~ Lessee hereby assumes exclusive
20 | responsibility for compliance with any and all applicable provisions of the Americans
21 | with Disabilities Act of 1990, ~~(ADA),~~ as amended from time to time, at the Premises,
22 | during the entire time ~~that the~~ Lessee uses or occupies the Premises or any part of the
23 | Premises. ~~Subject to the inspection provisions of Section 3.72 of this Lease, and to~~
24 | ~~standard public safety and health approvals, any and all permits, licenses or~~
25 | ~~authorizations required to be obtained from the City Lessor by the~~ Lessee during the
26 | ~~term~~ Term of this Lease for the purpose of constructing or erecting the temporary
27 | structures described in ~~Sections 7.1 and 7.2 of this Lease~~ Article VII or for operating the
28 | ~~boat shows~~ Shows, shall be deemed granted and issued upon the execution of this
29 | Lease by ~~the~~ Lessor and ~~the~~ Lessee. All other federal, state or county permits, which
30 | may be required, shall be the sole responsibility and expense of the Lessee.
31 |

32 | ARTICLE VIII

33 |
34 | ~~Section 8.1. Trash: Lessee, at its own expense, shall provide an adequate~~
35 | ~~number of trash containers for its use within the boat show grounds during the entire~~
36 | ~~use and occupancy period of the Premises, and shall provide for the prompt removal of~~
37 | ~~all such containers, trash and refuse. Lessor, at its own expense, shall provide an~~
38 | ~~adequate number of trash dumpsters outside the boat show grounds for the use of~~
39 | ~~Lessee during the use and occupancy period and shall provide for the prompt removal~~
40 | ~~of trash and refuse in these dumpsters.~~

41 |
42 | ~~Section 8.2. Cleanliness:~~ The Lessee shall be responsible for keeping the
43 | Premises free of debris, trash and refuse, which shall be placed in the containers and
44 | the dumpsters or receptacles specified in Section 1.3(e).

45 |
46 | Section 8.3.2. Sanitation and Toilets: The Lessee shall, at its ~~own~~ sole
47 | expense, provide adequate and sanitary toilet facilities throughout the Premises for use
48 | by the general public and others attending or participating in the ~~boat shows~~ Shows,
49 | including sufficient ADA compliant sanitary toilet facilities.

50 |
51 | ~~Section 8.3. Trash, Recycling and~~
52 | Public Safety Cooperation: The parties shall cooperate with each other and use their

1 best efforts to ensure that there is prompt trash and recycling removal, public safety
2 protection, and adequate traffic control during the designated period of use and
3 occupancy by the Lessee of the Premises.

4
5 **ARTICLE IX**
6

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

15
16 ~~Section 9.2. Trash and Public Safety Cooperation: The parties shall cooperate~~
17 ~~with each other and use their best efforts to ensure that there is prompt trash removal,~~
18 ~~public safety protection and adequate traffic control during the designated period of use~~
19 ~~and occupancy by Lessee of the Premises.~~
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22
23 **ARTICLE X**
24

25
26 Section 10.1. Condition of Premises ~~After Show: Following the lease term, after~~
27 ~~Shows: Upon the expiration or earlier termination of this Lease, the~~ Lessee, at
28 ~~Lessee's~~sits sole expense, shall return the Premises to the Lessor in the same or
29 superior condition than received, natural wear and tear excepted.

30
31 Section 10.2. Lessee's Equipment ~~After Show:after Shows:~~ Prior to the
32 expiration ~~or earlier termination~~ of this Lease, ~~the lease term,~~ Lessee shall immediately
33 remove all of its property, fixtures and chattels from the Premises. In the event that the
34 Lessee, its officers, agents, employees, vendors, subtenants or contractors, fail to
35 remove any item of property, the Lessor reserves the right to remove and store any
36 such property after the expiration or earlier termination of this Lease at the lease term at
37 Lessee's sole expense, or as an alternative, to leave the property at the Premises. In
38 either case, the Lessor shall charge the Lessee a per diem rental for storage of such
39 property. The Lessor shall bear no responsibility or liability for damage to or expense
40 incurred as a result of property left, removed or stored under the provisions of this
41 Section. The Lessee shall pay to the Lessor any expenses or charges ~~under due~~
42 ~~pursuant to~~ this Section billed to Lessee by Lessor within thirty (30) calendar days after
43 ~~delivery receipt~~ of ~~any such a~~ bill by from the Lessor ~~to Lessee.~~

44
45 Section 10.3. Post-ShowShows Inspection: Within ten (10) calendar days
46 following the expiration ~~or earlier termination~~ of this Lease, ~~the lease term,~~ Lessee shall
47 accompany the Lessor ~~during on~~ a tour of the Premises to determine the condition of the
48 Premises. Items corrected or repaired by the Lessor, and deemed by the Lessor to be
49 the sole responsibility of the Lessee, shall be billed by the Lessor and paid by the
50 Lessee within thirty (30) calendar days after receipt of such bill. The Lessee may
51 request the Lessor to provide reasonably sufficient documentation or other proof of
52 such items corrected or repaired by the Lessor prior to any payment. If the Lessee

1 disputes any bill for an item corrected or repaired by the Lessor, it may appeal such bill
2 to the City Manager and/or his/her authorized designee for review and reconsideration.

3
4 ARTICLE XI

5
6 Section 11.1. Remedies: All duties, liabilities and/or obligations imposed upon
7 or assumed by the Lessee and/or the Lessor by or under this Lease shall be taken or
8 construed as cumulative, and the mention of any specified duty, liability or obligation
9 imposed upon or assumed by the Lessee or the Lessor under this Lease shall not be
10 taken or construed as a limitation or restriction upon any or all of the other duties,
11 liabilities, or obligations imposed upon or assumed by the Lessee or the Lessor under
12 this Lease. The remedies provided for in this Lease shall be construed to be cumulative
13 and in addition to any other remedies provided in law or equity which the Lessor or the
14 Lessee would have in any case. In no case shall a waiver by either party of the right to
15 seek relief under this provision constitute a waiver of any other or further violation.
16 ~~Lessor or Lessee would have in any case. The remedies provided in this Lease shall not~~
17 ~~be deemed exclusive of other remedies not specified.~~

18
19 Section 11.2. Injunction: The Lessor shall have the right to seek and obtain in
20 any court of competent jurisdiction an injunction, without the necessity of posting a
21 bond, to restrain a violation or alleged violation by the Lessee of any term of this Lease,
22 anything to the contrary notwithstanding. ~~In no case shall a waiver by either party of the~~
23 ~~right to seek relief under this provision constitute a waiver of any other or further~~
24 ~~violation. The remedies provided in this Leaser shall not be deemed exclusive of other~~
25 ~~remedies not specified.~~

26
27 ARTICLE XII

28
29 Section 12.1. Impossibility of Performance: ~~If, for any reason,~~

30
31 (a) Notwithstanding any other terms or provisions of this Lease, in the event
32 the Lessor is temporarily or permanently prevented, restricted or delayed in the
33 performance of any or all of the duties and obligations imposed upon or assumed by it
34 hereunder, by act of the General Assembly of Maryland or the City Council of
35 Annapolis, by a court of competent jurisdiction, by administrative delay not due to the
36 fault of the Lessor (and its members and agents), or by an unforeseen event, not due to
37 the act/fault of the Lessor occurs, (and its members and agents), including but not limited
38 to fire, casualty, acts of God, labor strike/riots or other unforeseen
39 occurrence/occurrences which renders/renders impossible the fulfillment of any rental
40 period of this Lease, this Lease, then the Lessor shall not be liable directly or indirectly
41 for any claims caused to or suffered by the Lessee shall have no right to claim damages
42 not right to claim against Lessor for damages, but or any other person in connection with
43 or as a result of such prevention, restriction or delay, and the Lessee shall not be liable
44 for the payment of rent/Rent for said rental period. the Term of the Lease. However, if
45 such impossibility/prevention, restriction or delay relates to not more than five percent
46 (5%) of the rental period, Base Rent, Term of the Lease, the Shows shall still be held
47 and the Rent (only if determined under Section 1.3(A)(ii) of this Lease, based on the
48 Minimum Payment) shall be prorated to account for the number of scheduled hours the
49 Show is/Shows are not open to the public.

50
51 (b) The Lessee shall not be
52 responsible for delays in the performance of any or all of the duties and obligations

1 imposed upon or assumed by it hereunder caused solely by unforeseeable causes
2 beyond its control or the control of its subcontractors or suppliers of materials, such as
3 fire, casualty, acts of God, strikes, or other unforeseen occurrences. However, if such
4 delay relates to not more than five percent (5%) of the Term of the Lease, the Shows
5 shall still be held and the Rent (only if based on the Minimum Payment) shall be
6 prorated to account for the number of scheduled hours the Shows are not open to the
7 public.

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

11
12 **ARTICLE XIII**

13
14 Section 13.1. Payment: The Lessee shall make all payments due under this
15 Lease by check, payable to the City of Annapolis. In addition to all other amounts due
16 pursuant to this Lease, the Lessee shall pay the Lessor a monthly late fee of one and
17 one-half percent (1.5%%), or eighteen percent (18%%) per annum, of any payment
18 more than sixty (60) calendar days past due, until paid.

19
20 Section 13.2. Right to Audit: The
21 Lessor shall have to right to receive and review a copy of the Lessee's Maryland State
22 Admissions and Amusement tax report/return and any additional proof of gross receipts
23 from the Ticket Sales as may be reasonably requested by the Lessor's Director of
24 Finance to confirm that the Lessee has fulfilled its obligations under this Lease.

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28 **ARTICLE XIV**

29
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31 Section 14.1. Time is of the Essence: Time is of the essence in the
32 performance of this Lease. ~~The~~ Except as may be provided in this Lease or otherwise
33 agreed to in writing by both parties, the times and deadlines specified in this Lease shall
34 not be extended for any reason, ~~except as may be provided in this Lease,~~ relating to the
35 ~~term~~ Term of the Lease and/or the installation or removal of equipment, materials ~~or,~~
36 displays, or property from the Premises, ~~without written consent of Lessor.~~

37
38 **ARTICLE XV**

39
40 Section 15.1. Assignment: The Lessee shall not assign, transfer, or otherwise
41 dispose of this Lease without the prior written consent of the Lessor, but such consent
42 shall not be unreasonably ~~or arbitrarily~~ withheld or delayed. The foregoing shall not
43 prevent the Lessee from subleasing portions of the Premises to ~~boat show~~ Show
44 exhibitors, provided the portion of the Premises subleased to any exhibitor does not
45 exceed twenty-five percent (25%) of the total area of the Premises.

46
47 **ARTICLE XVI**

48
49 Section 16.1. Independent Contractor: The Lessee is an independent
50 contractor and not the agent or employee of the Lessor. ~~Under no circumstances shall~~

1 this Lease be considered to create an employee or agency relationship or a partnership
2 or joint venture between the parties.

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ARTICLE XVII

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7 Section 17.1. Liens: The Lessee hereby consents that the Lessor shall have a
8 lien upon all property of the Lessee located from time to time upon the Premises for any
9 and all unpaid charges which arise under this Lease. The Lessee hereby consents to
10 and the Lessor shall have the power to impound and retain possession of such property
11 until all such charges and late fees due ~~under Article XIII~~pursuant to this Lease have
12 been paid, in full, to the satisfaction of the Lessor. In the event such charges remain
13 unpaid ten (10) calendar days after the expiration or earlier termination of this Lease,
14 the Lessor shall have the power to sell such property at public auction and apply the
15 receipts from such auction to all such unpaid charges.

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ARTICLE XVIII

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20 Section 18.1. Compliance with all Laws: The Lessee shall comply with all laws,
21 ordinances, and statutes applicable to the Premises or any part of the Premises, and
22 the use and occupancy thereof, and to pay all taxes or charges imposed by law in
23 connection with ~~Lessee's~~the Lessee's use and occupancy of the Premises.- Provided
24 the Lessee is making good faith progress towards correcting any violation under this
25 Section, the Lessee shall have a reasonable time to correct ~~any~~that violation, not to
26 exceed sixty (60) calendar days.

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ARTICLE XIX

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31 Section 19.1. Termination: In the event the Lessee should materially default in
32 performance of its obligations under this Lease, and such default continues for more
33 than thirty (30) calendar days after the Lessor has given written notice to the Lessee of
34 such default, the Lessor shall have the right to immediately terminate the Lease and/or
35 to pursue reimbursement from the Lessee for any damages to the Lessor resulting from
36 the Lessee's material default of this Lease. For purposes of this Article XIX, "materially
37 default" and/or "material default" shall mean one (1) or more of the following:

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40 (a) If any representation or warranty, expressed or implied, of the Lessee and
41 pertaining to this Lease shall prove at any time to be incorrect or misleading
42 in any material respect either on the date when made or throughout the
43 Term of this Lease; or

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46 (b) If the Lessee shall fail to comply, fail to fulfill, or otherwise violate any of the
47 terms, conditions, or obligations contained in this Lease; or

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49

50 (c) If the Lessee becomes insolvent or generally does not pay its debts as they
51 become due, or if a petition for relief is filed by the Lessee in a bankruptcy
court, or if the Lessee applies for, consents to, or acquiesces in the
appointment of a trustee, custodian, or receiver for the Lessee or any of its
assets and property, or makes a general assignment for the benefit of
creditors, or in the absence of such application, consent, or acquiescence, a
trustee, custodian, or receiver is appointed for the Lessee or for a substantial

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part of the assets and property of the Lessee and is not discharged within thirty (30) calendar days; or

(d) If any bankruptcy, reorganization, debt arrangement, or other proceeding or case under any bankruptcy or insolvency or any dissolution or liquidation proceeding is instituted against the Lessee and is consented to or acquiesced to by the Lessee or remains for sixty (60) calendar days undismisssed; or

(e) If the Lessee loses or forfeits its corporate status, or ceases to be in good standing with the State of Maryland.

Section 19.2. Other Leases: There are currently in effect leases between the Lessor and the Lessee for the Premises for boat shows for the years of ~~2014~~2015 through ~~2017~~2018. In the event the Lessee should materially default in performance of its obligations in any one (1) of the above years, such material default shall also constitute a material default in the leases for all years subsequent to ~~2017~~it, including this Lease. If the material default continues for more than thirty (30) calendar days ~~(30)~~ after the Lessor has given written notice to the Lessee of such material default, the Lessor shall have the right to terminate any of the leases for any one (1) or more of the years remaining in ~~the leases through 2017, and~~effect, including this Lease. Otherwise, execution of this Lease shall have no effect on those leases for the years of ~~2014~~2015 through ~~2017~~2018.

ARTICLE XX

Section 20.1. Immunities: Nothing in this Lease shall be interpreted or construed to waive, in whole or in part, or to otherwise diminish, the Lessor’s statutory, common law or other immunities in any action in tort, in contract or in any other form. The parties agree that if any duty assumed by the Lessor under the terms of this Lease or any action taken by the Lessor pursuant to any such term is construed to waive, in whole or in part, any such immunity, then the immunity shall nevertheless be fully restored, and shall bind and protect the parties as a contractual undertaking.

ARTICLE XXI

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

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

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

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

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ARTICLE XXII

Section 22.1 Authority: This Lease is authorized by Ordinance O-~~23-13~~-1 adopted by the City Council of the City of Annapolis.

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IN WITNESS WHEREOF, the Lessor, by and through its duly authorized agent, has caused this Lease to be executed on its behalf, and the Lessee, by and through its duly authorized agent, has duly executed this Lease on the date first written above.

Witness the signatures and seals of the parties.

Attest: _____ **City of Annapolis** _____

Regina C. Watkins-Eldridge, MMC
City Clerk

By: _____
Joshua J. Cohen, Mayor (Seal)

**United States Sailboat Show, Inc.,
United States Powerboat Show, Inc.**

Witness
(Seal)

By: _____
C.E. Hartman Paul Jacobs, President

~~Approved as to form and legal sufficiency:~~

Gary M. Elson, Assistant City Attorney

~~Approved for financial sufficiency:~~

ATTEST: _____ **City**
of Annapolis, Maryland

By: _____
Regina C. Watkins-Eldridge, MMC, Michael J. Pantelides (Seal)
City Clerk Mayor

REVIEWED AND APPROVED BY:

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Thomas Andrews, City Manager

APPROVED FOR FINANCIAL SUFFICIENCY:

Bruce T. Miller, Director of
Finance Department

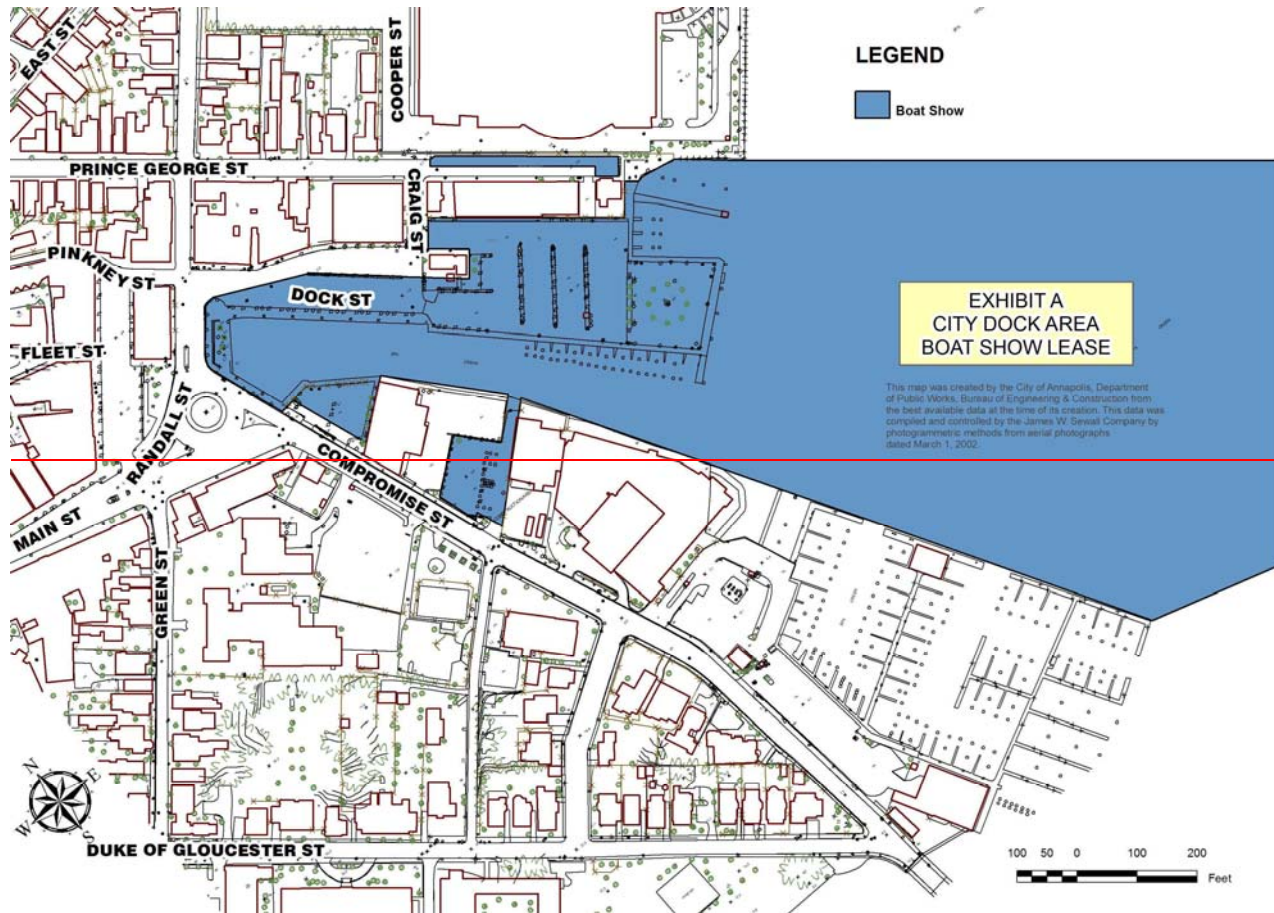
City Manager review:

APPROVED FOR FORM AND LEGAL SUFFICIENCY:

Michael ~~D. Mallinoff~~ G. Leahy, City ~~Manager~~ Attorney

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EXHIBIT A



THE PREMISES

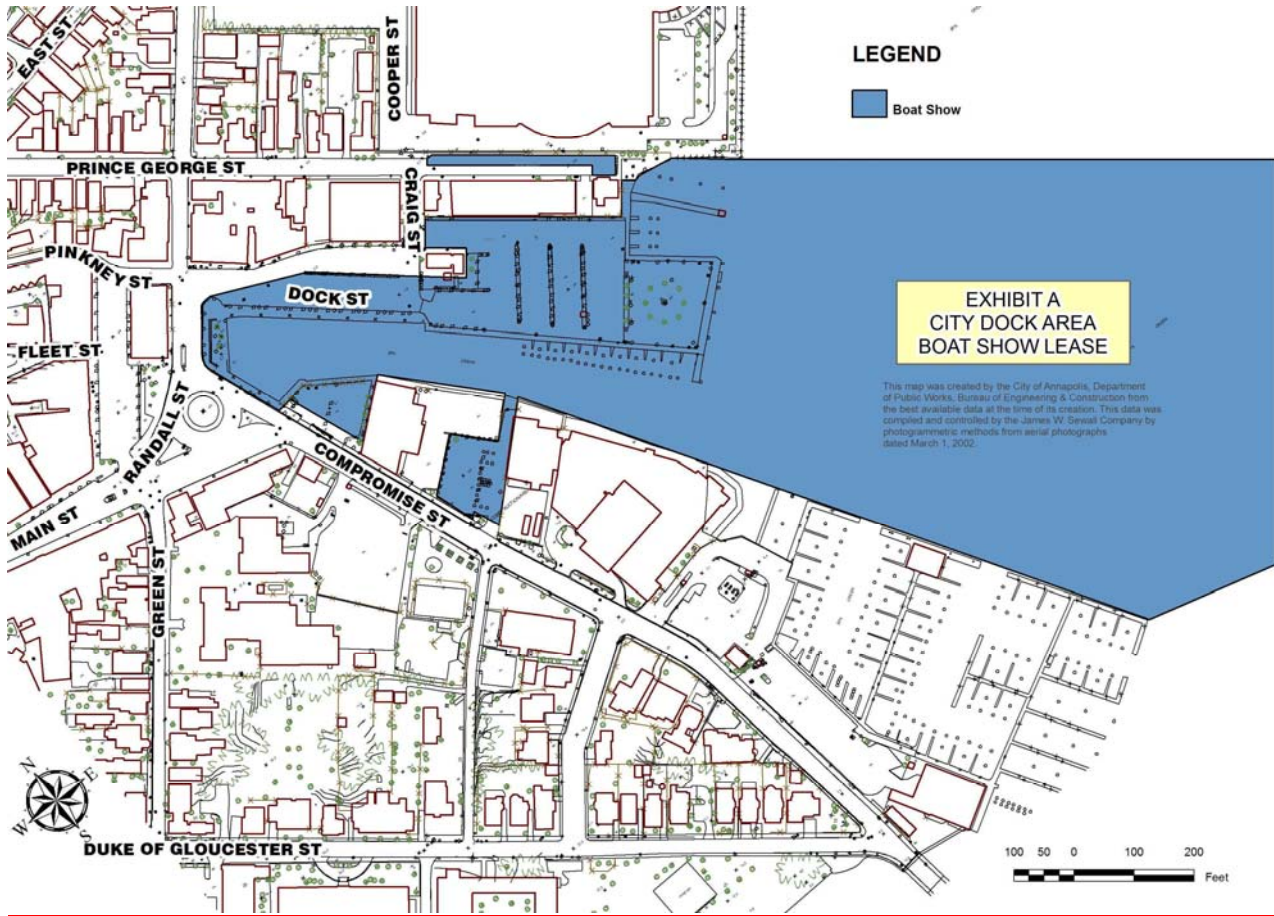


EXHIBIT B
BOAT MOORINGS

