

1 **..Title**

2 **Lease of City Property: Spring 2019 Boat Shows** – For the purpose of authorizing a lease of
3 certain municipal property located at the City Dock, surrounding areas and boat moorings in
4 Annapolis, Maryland as more fully described in the Lease Agreement with Cruisers University,
5 Inc., t/a Annapolis Spring Sailboat Show, in April 2019, to conduct boat shows.

6 **..Body**

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

9
10 **Ordinance 6-16**

11
12 **Introduced by: Mayor Pantelides and Alderman Budge**

13
14 **Referred to:**

15 **Economic Matters Committee**

16 **Environmental Matters Committee**

17 **Finance Committee**

18
19 **AN ORDINANCE** concerning

20
21 **Lease of City Property: Spring 2019 Boat Shows**

22
23 **FOR** the purpose of authorizing a lease of certain municipal property located at the City Dock,
24 surrounding areas and boat moorings in Annapolis, Maryland as more fully described in
25 the Lease Agreement with Cruisers University, Inc., t/a Annapolis Spring Sailboat
26 Show, in April 2019, to conduct boat shows.

27
28 **WHEREAS,** Cruisers University, Inc., t/a Annapolis Spring Sailboat Show, desires to lease
29 certain municipal property for the purpose of conducting boat shows; and

30
31 **WHEREAS,** the Annapolis City Council believes that these proposed boat shows would inure
32 to the benefit of the City; and

33
34 **WHEREAS,** a lease agreement setting forth details of the rental has been prepared and is
35 considered satisfactory; and

36
37 **WHEREAS,** Article III, Section 8 of the Charter of the City of Annapolis requires the passage
38 of an ordinance to authorize the lease.

39
40 **NOW THEREFORE,**

41
42 **SECTION I: BE IT ESTABLISHED AND ORDAINED BY THE ANNAPOLIS**
43 **CITY COUNCIL** that the proposed lease between the City of Annapolis and Cruisers
44 University, Inc., t/a Annapolis Spring Sailboat Show, for the rental of certain municipal
45 property at the City Dock and other property and water locations in Annapolis, Maryland during
46 April 2019, specifically described in the Lease Agreement, a copy of which is attached hereto

1 and made a part hereof, hereby approved and the Mayor is hereby authorized to execute the lease
2 on behalf of the City of Annapolis.
3

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

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

15 **EXPLANATION**

16 CAPITAL LETTERS indicate matter added to existing law.

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

18 Underlining indicates amendments
19
20
21

CITY OF ANNAPOLIS BOAT SHOW LEASE AGREEMENT

(Spring 2019)

Authorized by O-6-16

THIS BOAT SHOW LEASE AGREEMENT (“Lease”) is made this _____ day of _____, 2016, 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** and **Exhibit A Supplement**, 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 and the Susan C. Campbell Park from Monday, April 22, 2019 at 12:01 AM through Tuesday, April 30, 2019 at 5:00 PM.
- ii. (Optional) Ego Alley Parcel from Monday, April 22, 2019 at 5:00 PM through Monday, April 29, 2019 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 23, 2019 at 7:00 AM through Tuesday, April 30, 2019 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 23, 2019 at 7:00 AM through Tuesday, April 30, 2019 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 23, 2019 at 5:00 PM through Tuesday, April 30,
3 2019 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 22, 2019 at 12:01 AM through Tuesday,
11 April 30, 2019 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) fifty percent (50%) 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) Fifteen Thousand Four Hundred
33 Eighty-Eight Dollars and Thirty Cents (\$15,488.30) (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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46

1 Section 1.3. City Fees:
2

3 (a) In addition to the Rent, the Lessee and the Lessor shall meet sixty (60) calendar
4 days before the opening of the Show governed by this Lease to determine the costs that will be
5 incurred by the Lessor as a result of the Lessee's use of the Premises, including, but not limited
6 to, utilities, inspections, parking and transportation, facilities and services, trash and recycling
7 services, police services, fire services, and other safety services (collectively, the "City Fees").
8 The Lessee shall pay the Lessor the City Fees, in full, at the same time the Lessee pays the Rent.
9 The Lessee may request the Lessor to provide reasonably sufficient documentation or other proof
10 of such City Fees prior to any payment. If the Lessee disputes any City Fees, it may appeal such
11 costs to the City Manager and/or his/her authorized designee for review and reconsideration.
12

13 (b) *Police Services:* In exchange for the City Fees, the Lessor shall provide police
14 services related to traffic control outside the Premises, security for the Lessee's office within the
15 Premises, and liaison with the Lessee's security guards inside the Premises.
16

17 (c) *Fire Services:* In exchange for the City Fees, the Lessor shall provide fire
18 protection as required for the Show. Following the erection of all booths and other Show
19 structures as described in Article VII of this Lease, but before the Show opens, the parties shall
20 meet at the Premises to assure compliance with the Lessor's Fire Department regulations and
21 accessibility of fire lanes and turning radius. No open flame devices or running of watercraft
22 propulsion engines shall be permitted on the Premises during the open hours of the Show.
23

24 (d) *Utilities:* In exchange for the City Fees, the Lessor shall provide water and
25 electricity as required for the Show. The Lessee, at its own expense, shall install all temporary
26 electrical equipment, lines and devices required to provide power to the Premises in compliance
27 with the National Electric Code.
28

29 (e) *Trash and Recycling:* In exchange for the City Fees, the Lessor shall provide an
30 adequate number of trash and recycling dumpsters outside the Premises for the use by the Lessee
31 during the Term of this Lease, and the Lessor shall also provide for the prompt removal of all
32 trash, refuse and recycling materials deposited into these dumpsters during the Show. The
33 Lessee, at its sole expense, shall provide an adequate and equal number of trash and recycling
34 containers for its use within the Premises during the Term of this Lease, shall regularly empty
35 such containers into the Lessor-provided dumpsters, and shall also provide for the prompt
36 removal of all such containers from the Premises after the Show.
37

38 Section 1.4. Revisions to the Premises:
39

40 (a) The Lessor shall have the right to decrease the area of the Premises in order to
41 reflect any change in ownership or infrastructure, provided written notice is furnished to the
42 Lessee on or before November 1, 2018. In the event the total Premises area (measured in square
43 feet) is reduced by any action of the Lessor under this Section 1.4, the Rent due and payable shall
44 be reduced in direct proportion to the reduction in total Premises area. The Lessee shall present
45 documentation including measurements and calculations to support any claim of reduced
46 Premises.

1
2 (b) The Lessee shall have the right to request to decrease the area of the Premises in
3 order to reflect any change in the Shows, provided a written request is furnished to the Lessor on
4 or before November 1, 2018. Any such change shall be subject to the Lessor's written approval,
5 which approval shall not be unreasonably withheld. If such a decrease is approved by the Lessor,
6 the Lessee shall be entitled to a pro rata reduction in the Rent, but only if the Rent is based on the
7 Minimum Payment. The Lessee shall not be entitled to a reduction in the percentage of Ticket
8 Sales due to the Lessor if the Rent is based on such Ticket Sales.

9
10 (c) Any increase in the area of the Premises requires an amendment to this Lease,
11 signed by both parties.

12 ARTICLE II

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

20
21 Section 2.2. Dates of the Show: The Lessor grants to the Lessee the right to shift the
22 dates of the Show and the Term of the Lease to exactly one (1) week earlier in that same
23 calendar year (i.e. April 15, 2019 through April 23, 2019). The Lessee shall provide written
24 notice of such intention no later than sixty (60) calendar days before the opening of the Show
25 governed by this Lease.

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

31 ARTICLE III

32 Section 3.1. Use of the Premises:

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

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

40
41 (c) The Lessee shall be prohibited from selling alcoholic and non-alcoholic beverages
42 on the Premises during the Show.

43
44 (d) The Lessee shall submit to the Lessor an initial diagram of its proposed use of the
45 Premises at least thirty (30) calendar days prior to the Show, and shall continue to submit
46

1 updates of such diagram (as needed) up to the date of the opening of the Show. The Lessor shall
2 obtain final Lessor approval of the final (updated) diagram prior to opening the Show, which
3 approval shall not unreasonably be withheld or delayed.
4

5 Section 3.2. Pre-Show Meetings and Inspection: At no additional cost to the Lessee and
6 prior to the opening of the Show, representatives of the Lessor's Department of Neighborhood
7 and Environmental Programs, Police Department, Fire Department, Office of Emergency
8 Management, Harbormaster, and Department of Public Works shall inspect the Premises and
9 nearby areas with the Lessee's representative(s) to determine compliance with Lessor
10 requirements, and for determination of the condition of the Premises. Written approval by
11 representatives of these Lessor departments shall be required before the Lessee may open the
12 Show. The opening of the Show shall not be delayed by any Lessor department whose
13 representative is not present for this pre-inspection. The Lessor shall not refuse permission to
14 open the Show or any part of the Show under this Section unless a threat to health or safety has
15 been identified. The Lessor shall make every effort to limit that part of the Show not opened in
16 the event of such threat, and to allow the Lessee to open the closed portion of the Show as soon
17 as the threat is abated to the Lessor's satisfaction.
18

19 Section 3.3. Transportation: The Lessee shall prepare and submit a written
20 "Transportation Plan" with a parking element to the Lessor's Director of Transportation at 308
21 Chinquapin Round Road, Annapolis, Maryland 21401, with a copy to the Lessor's Harbormaster
22 at 1 Dock Street, Annapolis, Maryland 21401. The Transportation Plan shall address matters
23 specified by the Lessor's Director of Transportation, and shall be submitted to that director no
24 later than April 15, 2019. Except for public ways within the Premises, the Transportation Plan
25 shall not provide for the closure of any street or restrict parking to only those associated with the
26 Show. Moreover in publicizing the Show, the Lessee shall direct all persons attending the Show
27 to park their vehicles at satellite lots and ride a shuttle to the site of the Show. Upon receipt of
28 the Transportation Plan, the Lessor's Director of Transportation shall make copies available to
29 all relevant agencies, including, but not limited to, those listed in Section 3.2, and to interested
30 parties who have requested a copy.
31

32 ARTICLE IV

33

34 Section 4.1. Insurance: The Lessee, at its sole expense, shall obtain and keep in full
35 force and effect comprehensive commercial general liability insurance of no less than Two
36 Million Dollars (\$2,000,000.00) combined single limit, bodily injury and property damage, and
37 Eight Million Dollars (\$8,000,000.00) umbrella policy, which shall be effective during the
38 Lease's Term and the entire period of time during which the Lessee shall use or occupy the
39 Premises or any part of the Premises.
40

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

1 this Lease or the use of the Premises or any part of the Premises by the Lessee, its officers,
2 agents, employees, vendors, subtenants or contractors.

3
4 Section 4.3. Insurer: The Lessee's insurer or insurers shall be authorized to write the
5 required insurance, approved by the Insurance Commissioner of the State of Maryland, and
6 subject to the approval of the Lessor's City Attorney. The form and substance of the Lessee's
7 insurance policy or policies shall also be subject to reasonable approval by the Lessor's City
8 Attorney, and shall be submitted to the City Attorney at 160 Duke of Gloucester Street,
9 Annapolis, Maryland 21401, with a copy to the Lessor's Harbormaster at 1 Dock Street,
10 Annapolis, Maryland 21401, for such approval not less than thirty (30) calendar days prior to the
11 Lessee's occupancy of the Premises. The policy or policies of insurance shall then be secured by
12 the Lessee and filed with the City Attorney not less than fifteen (15) calendar days prior to the
13 Lessee's occupancy of the Premises. No approvals pursuant to this Section 4.3 shall be
14 unreasonably withheld or delayed.

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

22
23 Section 4.5. Lessee's Obligations: The obligations of the Lessee under this Article are
24 part of but do not limit or satisfy the Lessee's obligations under the remainder of this Lease.

25 ARTICLE V

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

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

1
2 **ARTICLE VI**
3

4 **Section 6.1. Security:** The Lessee shall contract with and pay, as independent
5 contractors, security guards from an agency duly licensed by the State of Maryland, in numbers
6 sufficient to maintain security, peace and order at the Show inside the Premises during the
7 entirety of the Lease's Term.
8

9 **ARTICLE VII**
10

11 **Section 7.1. Interior Construction:** The Lessee shall have the right to construct, install or
12 erect seats, platforms, booths, tanks, scaffolding, rigging, floating piers, pilings, docks, catwalks,
13 tents, exhibits, and any other apparatus or structure which the Lessee may deem necessary or
14 desirable for the purpose of presenting the Show. The Lessee shall have the right to erect and
15 construct a temporary fence so as to enclose the Premises in such a manner as to limit entry onto
16 the Premises through controlled entrances. Such fence shall not contain barbed wire, razor wire
17 or any similar materials.
18

19 **Section 7.2. Exterior Construction:** Wherever necessary to provide for pedestrian traffic,
20 the Lessee shall erect and construct temporary wooden sidewalks outside of the Premises where
21 the existing sidewalks are enclosed in the Premises by a temporary fence described in Section
22 7.1. All temporary sidewalks shall be handicap accessible and illuminated during hours of
23 darkness, and maintained by the Lessee in a safe and secure condition.
24

25 **Section 7.3. ADA and Other Permits:** The Lessee hereby assumes exclusive
26 responsibility for compliance with any and all applicable provisions of the Americans with
27 Disabilities Act of 1990 (ADA), as amended from time to time, at the Premises, during the entire
28 time that the Lessee uses or occupies the Premises or any part of the Premises. Subject to the
29 inspection provisions of Section 3.2 of this Lease, and to standard public safety and health
30 approvals, any and all permits, licenses or authorizations required to be obtained from the Lessor
31 by the Lessee during the Term of this Lease for the purpose of constructing or erecting the
32 temporary structures described in this Article VII or for operating the Show, shall be deemed
33 granted and issued upon the execution of this Lease by the Lessor and the Lessee. All other
34 federal, state or county permits, which may be required, shall be the sole responsibility and
35 expense of the Lessee.
36

37 **ARTICLE VIII**
38

39 **Section 8.1. Cleanliness:** The Lessee shall be responsible for keeping the Premises free
40 of debris, trash and refuse, which shall be placed in the containers and the dumpsters specified in
41 Section 1.3(e).
42

43 **Section 8.2. Sanitation and Toilets:** The Lessee shall, at its sole expense, provide
44 adequate and sanitary toilet facilities throughout the Premises for use by the general public and
45 others attending or participating in the Show, including sufficient ADA compliant sanitary toilet
46 facilities.

1 **ARTICLE XIII**

2
3 Section 13.1. Payment: The Lessee shall make all payments due under this Lease by
4 check, payable to the *City of Annapolis*. In addition to all other amounts due pursuant to this
5 Lease, the Lessee shall pay the Lessor a monthly late fee of one and one-half percent (1.5%), or
6 eighteen percent (18%) per annum, of any payment more than sixty (60) calendar days past due,
7 until paid.
8

9 Section 13.2. Right to Audit: The Lessor shall have to right to receive and review a copy
10 of the Lessee's Maryland State Admissions and Amusement tax report/return and any additional
11 proof of gross receipts from the Ticket Sales as may be reasonably requested by the Lessor's
12 Director of Finance to confirm that the Lessee has fulfilled its obligations under this Lease.
13

14 **ARTICLE XIV**

15
16 Section 14.1. Time is of the Essence: Time is of the essence in the performance of this
17 Lease. Except as may be provided in this Lease or otherwise agreed to in writing by both parties,
18 the times and deadlines specified in this Lease shall not be extended for any reason relating to
19 the Term of the Lease and/or the installation or removal of equipment, materials, displays, or
20 property from the Premises.
21

22 **ARTICLE XV**

23
24 Section 15.1. Assignment: The Lessee shall not assign, transfer, or otherwise dispose of
25 this Lease without the prior written consent of the Lessor, but such consent shall not be
26 unreasonably withheld or delayed. The foregoing shall not prevent the Lessee from subleasing
27 portions of the Premises to Show exhibitors, provided the portion of the Premises subleased to
28 any exhibitor does not exceed twenty-five percent (25%) of the total area of the Premises.
29

30 **ARTICLE XVI**

31
32 Section 16.1. Independent Contractor: The Lessee is an independent contractor and not
33 the agent or employee of the Lessor. Under no circumstances shall this Lease be considered to
34 create an employee or agency relationship or a partnership or joint venture between the parties.
35

36 **ARTICLE XVII**

37
38 Section 17.1. Liens: The Lessee hereby consents that the Lessor shall have a lien upon
39 all property of the Lessee located from time to time upon the Premises for any and all unpaid
40 charges which arise under this Lease. The Lessee hereby consents to and the Lessor shall have
41 the power to impound and retain possession of such property until all such charges and late fees
42 due pursuant to this Lease have been paid, in full, to the satisfaction of the Lessor. In the event
43 such charges remain unpaid ten (10) calendar days after the expiration or earlier termination of
44 this Lease, the Lessor shall have the power to sell such property at public auction and apply the
45 receipts from such auction to all such unpaid charges.
46

1 **ARTICLE XVIII**
2

3 Section 18.1. Compliance with all Laws: The Lessee shall comply with all laws,
4 ordinances, and statutes applicable to the Premises or any part of the Premises, and the use and
5 occupancy thereof, and to pay all taxes or charges imposed by law in connection with the
6 Lessee's use and occupancy of the Premises. Provided the Lessee is making good faith progress
7 towards correcting any violation under this Section, the Lessee shall have a reasonable time to
8 correct that violation, not to exceed sixty (60) calendar days.
9

10 **ARTICLE XIX**
11

12 Section 19.1. Termination: In the event the Lessee should materially default in
13 performance of its obligations under this Lease, and such default continues for more than thirty
14 (30) calendar days after the Lessor has given written notice to the Lessee of such default, the
15 Lessor shall have the right to immediately terminate the Lease and/or to pursue reimbursement
16 from the Lessee for any damages to the Lessor resulting from the Lessee's material default of
17 this Lease. For purposes of this Article XIX, "materially default" and/or "material default" shall
18 mean one (1) or more of the following:
19

- 20 (a) If any representation or warranty, expressed or implied, of the Lessee and pertaining
21 to this Lease shall prove at any time to be incorrect or misleading in any material
22 respect either on the date when made or throughout the Term of this Lease; or
23
24 (b) If the Lessee shall fail to comply, fail to fulfill, or otherwise violate any of the terms,
25 conditions, or obligations contained in this Lease; or
26
27 (c) If the Lessee becomes insolvent or generally does not pay its debts as they become
28 due, or if a petition for relief is filed by the Lessee in a bankruptcy court, or if the
29 Lessee applies for, consents to, or acquiesces in the appointment of a trustee,
30 custodian, or receiver for the Lessee or any of its assets and property, or makes a
31 general assignment for the benefit of creditors, or in the absence of such application,
32 consent, or acquiescence, a trustee, custodian, or receiver is appointed for the Lessee
33 or for a substantial part of the assets and property of the Lessee and is not discharged
34 within thirty (30) calendar days; or
35
36 (d) If any bankruptcy, reorganization, debt arrangement, or other proceeding or case
37 under any bankruptcy or insolvency or any dissolution or liquidation proceeding is
38 instituted against the Lessee and is consented to or acquiesced to by the Lessee or
39 remains for sixty (60) calendar days undismissed; or
40
41 (e) If the Lessee loses or forfeits its corporate status, or ceases to be in good standing
42 with the State of Maryland.
43

44 **ARTICLE XX**
45

1
2 Section 23.5. Notice: Any notice required to be delivered shall be sent to the following
3 address and individual or such other address and/or such other individual as a party may identify
4 in writing to the other party:

5
6 To the Lessor: Harbormaster
7 1 Dock Street
8 Annapolis, Maryland 21401

9
10 With a Copy to: City Attorney
11 160 Duke of Gloucester Street
12 Annapolis, Maryland 21401

13
14 To the Lessee: Paul Jacobs, President
15 Cruisers University, Inc. trading as
16 Annapolis Spring Sailboat Show
17 980 Awald Road | Suite 302
18 Annapolis, Maryland 21403

19
20 **IN WITNESS WHEREOF**, the Lessor, by and through its duly authorized agent, has
21 caused this Lease to be executed on its behalf, and the Lessee, by and through its duly authorized
22 agent, has duly executed this Lease on the date first written above. Witness the signatures and
23 seals of the parties.

24
25 **Cruisers University, Inc. trading as**
26 **Annapolis Spring Sailboat Show**

27
28
29 _____ By: _____
30 Witness Paul Jacobs, President (Seal)

31
32
33 ATTEST: **City of Annapolis, Maryland**

34
35
36 _____ By: _____
37 Regina C. Watkins-Eldridge, MMC, Michael J. Pantelides (Seal)
38 City Clerk Mayor

39
40 REVIEWED AND APPROVED BY:

41
42
43 _____
44 Thomas Andrews, City Manager

1 APPROVED FOR FINANCIAL SUFFICIENCY:

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5 _____
6 Bruce T. Miller, Director

7 Finance Department

8

9

10 APPROVED FOR FORM AND LEGAL SUFFICIENCY:

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14 _____
15 Michael G. Leahy, City Attorney

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EXHIBIT A
THE PREMISES

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EXHIBIT A SUPPLEMENT

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EXHIBIT B
SEPARATE AGREEMENT(S) / LETTER(S) OF PERMISSION

[Attach separate agreement(s) and/or letter(s) of permission,
as applicable and as completed].

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