CITY COUNCIL OF THE CITY OF ANNAPOLIS

ORDINANCE NO. 0-16-04Amended

Introduced by Mayor Moyer

AN ORDINANCE concerning

Master Lease for Stanton Center

FOR the purpose of approving the leases for certain City-owned space in the Stanton Center to various organizations; and matters generally relating to said lease.

SECTION I: BE IT ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that the master lease agreement, attached hereto and made a part hereof is hereby approved, and the Mayor is hereby authorized to execute specific leases as listed below on behalf of the City of Annapolis.

Tenant- Introduction and Sections 1, 23(a) & 27	Use of Space— Section 3	Base Rent— Section 5(A)	Additional Rent- Section 5(B)
Anne Arundel Medical Center, William C. West 2002 Medical Parkway, Annapolis, MD 21401	medical clinic	\$18,060 \$1,000 \$2,000 \$2,000	-0-
Anne Arundel Medical Center, William C. West 2002 Medical Parkway, Annapolis, MD 21401	dental clinic	First year of rent waived, then \$8,235	-0-
Annapolis Youth Services Bureau, Yevola S. Peters 251 West Street, PO Box 1951, Annapolis, MD 21404	juvenile delinquency prevention programs	\$18,975 \$1 per year	-0-

Greater Clay St. Development Gerporation Bertina Nick, President 92 W. Washington Street, Annapolis, MD 21401	coordinating revitalization activities including housing and human services	\$2,310 \$ per year	•0-
We Care and Friends Larry Griffin 92 W. Washington Street, Annapolis, MD 21401	provide assistance to the homeless	\$2,310 \$1 per year	-0-

SECTION II: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that in accordance with Article III, Section 8 of the Charter of the City of Annapolis, the proposed leases of certain City-owned space in the Stanton Center will better serve the public need for which the property was acquired.

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

ADOPTED this 11th day of October, 2004.

ATTEST:

THE ANNAPOLIS CITY COUNCIL

ELLEN O. MOYER, MAYOR

28 Jon Deborah Heinbuch, MMC

City Clerk

EXPLANATION:

Redining indicates matter added to existing law. Strike Out indicates matter deleted from existing law. Underlining indicates amendments.

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STANTON CENTER MASTER LEASE

THIS AGREEMENT OF LEASE, made this day of, 20, by and between the City of Annapolis, a municipal corporation, and ("City"), and ("Tenant").
WHEREAS, Tenant desires to lease the designated Space(s) under the terms and conditions hereinafter set forth.
WHEREAS, pursuant to Ordinance the Annapolis City Council has authorized this Lease and has determined that this Lease will serve the public need for which the referenced premises were acquired.
WHEREAS, this Lease is executed consistent with the policies established in City Charter Article III, Section 8 and City Code, Section 6.04.210.
NOW, THEREFORE, in consideration of the mutual promises, covenants, conditions and agreements contained herein and of the rents and payments hereinafter reserved, City hereby leases to Tenant, and Tenant leases from City, all that space in the Stanton Center, 93 West Washington Street Annapolis Maryland, described herein under the following terms and conditions:
1. <u>Premises</u> : The lease premises shall be that area of the Stanton Center designated as and outlined on Exhibit A hereto, hereinafter referred to as the "Space(s)".
2. Term: The term of this Lease shall be for six (6) seven (7) months beginning January 1, 2004 December 1, 2004, and terminating on June 30, 2004 2005. This Lease shall automatically renew for five (5) additional consecutive terms of one (1) year each, beginning July 1, 2004 2005 and each July 1st thereafter through and including July 1, 2008 2009 to June 30, 2009 2010, unless the Director notifies Tenant in writing, not later than March 31st of the then current term, that this Lease will not be renewed.
Use: In addition to all other legal requirements applicable to the use of the Space(s) and the operation of Tenant's business operations therein, Tenant shall: Use the Space(s) exclusively for the operation of
Use the Space(s) directly and solely for the benefit of Tenant;

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- Limit the placement and location of its equipment, fixtures, improvements, advertisements and other property to the confines of the Leased Space(s):
- Keep the common areas, parking lots, alleyways and adjacent sidewalks of the Stanton Center free from all such equipment, fixtures, improvements. advertisements and other property; and
- Coordinate the scheduling and acceptance of deliveries by 12:00 noon and so as not to interfere with other tenant, traffic and/or parking at the Stanton Center.
- Management of Lease: The Annapolis Central Services Director ("the Director") and his/her designee shall manage the Stanton Center property and to that end. administer this Lease according to its terms.
- Rent: Tenant shall pay to the City of Annapolis Director of Finance at 160 Duke of Gloucester Street Annapolis Maryland 21401, the following Rent:
- (A.) Base Rent equal to \$ <u>per month (equal to \$15.00 per </u> sq. ft., +/-), due and payable on the first day of each month, beginning on January 1, 2004 and continuing thereafter each month through June 1, 2004. During any and each renewal term of this Lease for the referenced Space(s), the amount of such Base Rent shall increase, effective July 1st of each year, by an amount equal to five percent (5%) of the previous year's Base Rent; plus \$1 per year.
- (B.) Additional Rent equal to \$ per month for refuse removal. HVAC, maintenance, water, sewer, sanitation and other utilities, all to be provided by the City, due and payable with the monthly rental referred to in the preceding paragraph. provided, however, that if Tenant's service requirements are increased or decreased. Tenant shall immediately notify the Director and he/she may, in its his/her sole discretion, make corresponding changes in this monthly service charge; plus
- (C.) Additional Rent equal to any expenses incurred by the City in improving, renovating, repairing or altering the Leased Space(s), providing such improvements, renovations, repairs or alterations are made as a result of Tenant's use of the Space(s). due and payable within 30 days following delivery of an itemized bill to Tenant.
- Security Deposit: Concurrent with the execution of this Lease, Tenant shall 6. (the equivalent of two (2) months Base Rent deposit with City \$ hereunder) as security for the full and faithful performance of this Lease by Tenant. Provided Tenant is not then in breach of any term of this Lease, the City shall return to Tenant said deposit, less any amounts rightfully withheld by the City for monies due to it under this Lease, within sixty (60) days after the termination of this Lease.

7. <u>Tenant's Improvements</u>: Tenant's improvements to the Space(s) and installation of services and equipment (i.e., telephone, computers, cable, _____) therein shall be at Tenant's expense. All such improvements and installations shall conform to City requirements. No improvements shall be made and no equipment shall be installed without the Director's prior approval.

8. [Reserved]:

9. <u>Condition at End of Term</u>: Following determination of this Lease Tenant may remove equipment owned by it provided rent and all other charges then due are fully paid. All electrical, water and other connections shall remain undisturbed. In all other respects, the space leased shall be surrendered by Tenant in the same condition as when received, subject to normal wear and tear.

10. Tenant Default:

- (A.) Rental or Other Payments: In the event that Tenant shall be in default of any payment of Base Rent, Additional Rent, service charges, or other payment under this Lease and such payment is in arrears and unpaid for forty-five (45) days or more, City may distrain therefor; and if said payments, in whole or in part, is in arrears and unpaid for the period of sixty (60) days, then City may, in its sole discretion, direct Tenant to cease and desist any and all use of the Leased Space(s) until all such arrearage is paid in full. Further, if Tenant shall for a period of fifteen (15) days after written notice from said City fail to comply with any of the conditions of this Lease, including failure to timely pay any Base Rent, Additional Rent, service charge or any other payment under this Lease, then City may re-enter upon the Leased Space(s) without further form or process of law, by force or otherwise, without being liable to any prosecution or damages therefor and without other notice or previous demand, and such re-entry shall constitute a termination of Tenant's right to occupy the Leased Space(s) pursuant to this Lease. No such recovering possession of the Leased Space(s), shall deprive the City of any other action or claim against the Tenant for possession, for rent or for damages including but not limited to a claim for rent through the end of the term of this Lease subject only to Tenant's right to a credit, if any it may have, for rent received by the City from any substitute tenant occupying the Space(s) or any part thereof. Tenant also agrees that any fixtures and/or equipment installed by it may be held by the City as security for any unpaid payment due under this Lease.
- (B.) Non-Monetary Default: In the event that Tenant shall be in default in the performance of any term of this Lease, other than as described in subparagraph 10(A), and such default shall not be cured to the satisfaction of the Director within 10 days of written notice by the City to Tenant to cure same, then in that event, City may terminate this

Lease, immediately, and enter upon the Space(s) and remove all persons and property. Upon such termination, the City may forthwith re-enter and re-possess the Space(s) without further form or process of law, by force or otherwise, without the City or its agents and servants being liable to any prosecution or damages therefor with all rights reserved to the City as provided under subparagraph 10(A), if any.

(C.) <u>Late Charges and Attorneys Fees</u>: In the event that the Base Rent or Additional Rent set forth in paragraph 5 of this Lease, or any part thereof, shall remain unpaid for a period of fifteen (15) days after the day on which it is due, then in addition to all other sums due by Tenant under the terms of this Lease, Tenant shall pay the City as Additional Rent hereunder: (i) Late Fees equal to 5% of the unpaid amount; and (ii) if an action of any type is filed in any court, attorneys fees equal to the greater of \$2,500.00 or 20% of any and all amounts due by Tenant whether or not the City shall have retained private counsel.

11. [Reserved]

12. <u>Assignment, Sublease and Mortgage</u>:

- (A.) Neither the Space(s) nor any portion of them shall be sublet, nor shall this Lease, or any interest in it be hypothecated or mortgaged by Tenant, and any attempted subletting, hypothecation or mortgaging of this Lease shall be of no force or effect, and shall confer no rights upon any other person.
- (B.) Tenant shall not assign this Lease or any part thereof without the prior written consent of the Annapolis City Council;
- (C.) In the event Tenant becomes incompetent, bankrupt, or insolvent, or should a guardian, trustee, or receiver be appointed to administer Tenant's business or affairs, neither this Lease nor any interest here shall become an asset of such guardian, trustee or receiver, and in the event of the appointment of any such guardian, trustee, or receiver, this Lease shall immediately terminate.
- 13. <u>Damage to Leased Space</u>: If, during the term of this Lease, the Space(s) shall be damaged by fire, or other casualty, not the fault of the Tenant, its officers, or its employees, then the rents and charges herein reserved shall be abated pending the restoration of said Leased Space(s), in proportion to the extent to which the same shall be rendered untenantable. It shall be the responsibility of the City to restore such Space(s) within a reasonable time but only to the condition at the time possession thereof was originally delivered to Tenant, ordinary wear and tear excepted; and it shall be the responsibility of the Tenant to restore its own fixtures and equipment, and if not so restored

within a reasonable time as determined by the Director, the City may, in the Director's discretion, declare Tenant to be in default of this Lease and the City may, in the Director's discretion, pursue remedies under paragraph 10 hereof. The City shall have no liability to Tenant for personal injury or property damage, in whole or in part, as a result by damage by fire, by escaped pollutants, or by any other casualty.

- 14. <u>Equipment</u>: Tenant shall maintain all equipment and improvements in the Space(s) including, but not limited to plumbing and electrical installations, in accordance with applicable Federal, State and County laws, rules and regulations.
- 15. <u>Abandoned Improvements</u>: All alterations, improvements and additions made at Space(s) by Tenant that are remaining at the Space(s) at the termination of the Lease shall, at the option of the Director, become the property of the City.
- 16. <u>City Right to Enter</u>: City shall have at all times the right to inspect the Space(s) and to enter thereon for the purposes of making repairs or maintenance and to determine whether Tenant is in compliance with this Lease.
- 17. <u>Unlawful Practices by Tenant</u>: Any conviction against Tenant or any person employed by Tenant for violation of any Federal, State, County or Municipal law related to the sale, purchase possession or distribution of controlled substances, in or near the Stanton Center shall, at the Director's sole discretion, be declared to constitute a termination of Tenant's right to occupy the Space(s) under the terms of this Lease. Upon such termination, the City may forthwith re-enter and re-possess the Space(s) without further form or process of law, by force or otherwise, without the City or its agents and servants being liable to any prosecution or damages therefor and with all rights reserved to the City as provided under Paragraph 10 above.
- 18. <u>City Rules, Regulations and Ordinances</u>: Tenant agrees to abide by all rules and regulations which may be issued from time to time by the Director, including but not limited to hours during which the Stanton Center will be open; hours during which Tenant's invitees may be on the Stanton Center Premises; the type, character and dimension of fixtures, displays, etc; and the use of the leased space.

19. Insurance and Indemnification:

(A.) Tenant shall fully indemnify, defend and hold harmless the City, and in their capacity as such, the officers, agents and employees thereof, from and against any and all claims, suits, actions, liability and judgments for damages or otherwise for actual or alleged injury to persons or property, including loss of use of property, in any way arising out of or through or alleged to arise out of or through the acts or omissions of Tenant or its

officers, agents, employees, or contractors or to which the acts or omissions of any such person or entity in any way contribute provided said claim, suit, action, liability or judgment is in any manner be connected to Tenant's use or occupancy of the Space(s) or any part of the Annapolis Stanton Center.

harmless herein from participating in the defense of any litigation by their own counsel at

Tenant's sole expense. Such participation and/or charged to Tenant shall not relieve

Tenant from its duty to defend against liability or to pay any judgment against such party.

(B.) Nothing herein shall be deemed to prevent the parties indemnified and held

- (C.) As a part of the duty to defend, hold harmless and indemnify provided herein, but without limiting that duty, Tenant shall file with the Director concurrent with the execution of this Lease, and shall thereafter maintain in full force and effect at Tenant's expense, an acceptable policy or policies of liability insurance, including comprehensive general liability insurance. The policy or policies shall name as primary or additional insured the City, and in their capacity as such, the officers, agents and employees thereof. Said policy of insurance shall be in the minimum single limit amount of one million dollars (\$1,000,000.00) per occurrence. The insurance policy shall insure against the types of liabilities covered by the indemnification and hold harmless provisions above.
- 20. Maintenance: All Stanton Center tenants, including Tenant, shall contribute to the daily care, maintenance and cleanliness of the common areas and washroom facilities of the Stanton Center. In addition, Tenant shall be solely responsible for the care, maintenance and cleanliness of the Space(s) and the City shall have no duty or obligation regarding same. Each Tenant shall be responsible for the care and maintenance of its own systems. The City shall be responsible for the maintenance of the Stanton Center building (i.e., structure) and HVAC system. 20. Maintenance: Each Tenant shall be responsible for the maintenance of the Stanton Center building (i.e. structure) the Stanton Center building (i.e. structure) the FVAC system, and the common areas).
- 21. <u>Security:</u> City shall have no obligation to insure Tenant, Tenant's property or Tenant's officers, employees or invitees against criminal activities of third parties. City and in their capacity as such, the officers, employees and agents of City, shall have no liability for physical harm or property damage resulting directly or indirectly from any such activity or from any act or omission by the City, its officers, agents or employees to protect against criminal activity.
- 22. Resolution of Certain Disputes: Tenant's disputes, claims, causes of action and suits related to: (i) other tenants of the Stanton Center; (ii) the boundaries of Tenant's Space(s); (iii) parking; (iv) days and hours of operation; or (v) surcharges for expenses

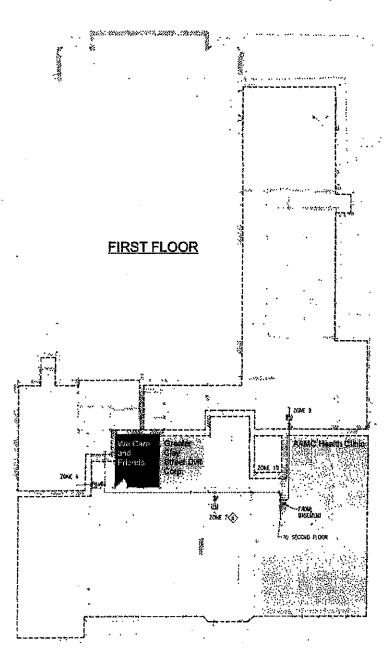
under Paragraph 5 hereof shall be submitted by Tenant preliminarily to the Director for resolution. If Tenant is dissatisfied with the decision of the Director, Tenant may file an appeal with the City of Appeals but to no other administrative agency.

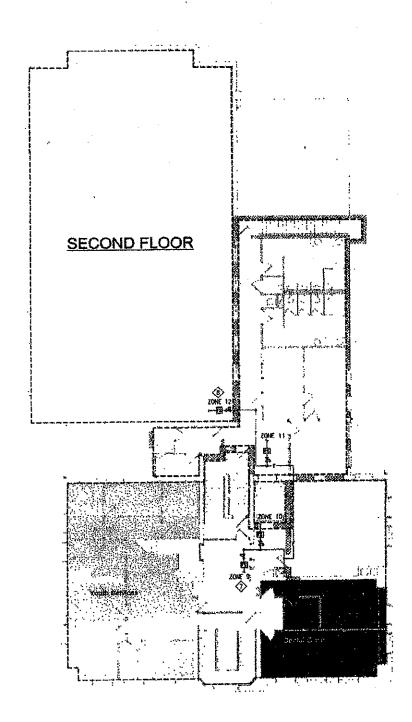
or court. The	decisi rative a	on of the Boa gency or cour	Board of Appeals but to no other administrative agency rd of Appeals shall be final and not subject to appeal to t. The parties hereto specifically reserve to themselves cedures available to them under law.
23. regular mail,		<u>s:</u> Written no e prepaid as t	itice required under this Lease shall be delivered by follows:
	(a)	To Tenant:	
	(p)	To City:	Director, Central Services Dept. c/o 160 Duke of Gloucester Street Annapolis, MD 21401
			and
			City Attorney, Office of Law 160 Duke of Gloucester Street Annapolis, MD 21401
26. the term "Te the liability o	nant" a	s used herein	iability: If there is more than one Tenant to this Lease, shall apply to each and to all jointly and severally, and joint and several.
27. agreements The terms of and heirs acc	(written this Le	or verbal) and ase shall bind	This Lease supersedes any and all other Leases, diterms of tenancy between the parties for the Space(s). If the parties, their successors, assigns, representatives
Win	rness	:	TENANT

BY:_ Print Name __ Title:__ Address:

Exhibit A

Stanton Center Lease Floorplan





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ATTEST:

Per State day

Deborah Heinbuch, City Olerk

THE CITY OF ANNAPOLIS

Ellen O. Moyer, Mayor

Approved as to Form and Legal Sufficiency:

Shaèm C. Spencer, City Attorney

10-25-04

Date