

FISCAL IMPACT NOTE

Legislation No: O-1-16

First Reader Date:

1-11-16

Note Date:

1-20-16

Legislation Title: **Amendment No. 1 to Annapolis Maritime Museum, Inc. Lease Agreement**

Description: For the purpose of approving an Amendment No. 1 to the Lease of certain City-owned property to the Annapolis Maritime Museum, Inc.; and matters generally relating to said lease.

Analysis of Fiscal Impact: This legislation amends the lease between the City of Annapolis and the Annapolis Maritime Museum, Inc. for the property located at 723 Second Street. The original lease was authorized via Ordinance 18-05 and executed on February 15, 2006 for an annual amount of \$10,000, with an increase in rent effective July 1st of each year in an amount based upon the latest published increase in the Consumer Price Index (CPI) for Urban Consumers. The annual base rent as of FY 2016 is \$11,471.64. The legislation proposes to eliminate the payment of rent in exchange for the tenant assuming responsibility for all maintenance of this property. In addition, the Annapolis Maritime Museum, Inc. will forego its FY 2016 grant from the City in the amount of \$6,000. The net fiscal impact for the City for FY 2016 would be a loss of \$5,471.64. It is unknown what the net fiscal impact would be for all future years, as the CPI and community grant amounts have not been determined at this time.