

1 **..Title**

2 **Amendment No. 1 to Annapolis Maritime Museum, Inc. Lease Agreement** – For the purpose
3 of approving an Amendment No. 1 to the Lease for certain City-owned property to the Annapolis
4 Maritime Museum, Inc.; and matters generally relating to said lease.

5 **..Body**

6
7 **CITY COUNCIL OF THE**
8 **City of Annapolis**

9
10 **Ordinance 1-16**

11
12 **Introduced by: Mayor Pantelides**

13
14 **Referred to**

15 Finance Committee
16 Rules and City Government

17
18
19 **AN ORDINANCE** concerning

20
21 **Amendment No. 1 to Annapolis Maritime Museum, Inc. Lease Agreement**

22
23 **FOR** the purpose of approving an Amendment No. 1 to the Lease of certain City-owned
24 property to the Annapolis Maritime Museum, Inc.; and matters generally relating to said
25 lease.

26
27 **WHEREAS**, the City of Annapolis is the fee simple owner of the property consisting of the
28 “McNasby” building located at 723 Second Street, the Bargehouse located at 133 Bayshore
29 Drive, and all open space common areas and docking facilities, as further described in the
30 February 15, 2006 Lease Agreement between the City of Annapolis and the Annapolis Maritime
31 Museum, Inc.; and

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33 **WHEREAS**, the February 15, 2006 Lease Agreement was adopted pursuant to O-18-05
34 Amended; and

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36 **WHEREAS**, the Annapolis Maritime Museum, Inc. desires to amend the Lease to adjust the rent
37 and other material terms; and

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39 **WHEREAS**, the City is willing to amend the lease for the purposes described and in accordance
40 with the terms and conditions set forth in the Amendment No. 1 to Lease Agreement attached
41 hereto and incorporated herein; and

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43 **WHEREAS**, Article III, Section 8 of the Charter of the City of Annapolis requires the passage
44 of an ordinance to authorize the lease amendment; and

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1 **SECTION I: BE IT ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY**
2 **COUNCIL** that the Amendment No. 1 to Lease Agreement, a copy of which is attached hereto
3 and made a part hereof, between the City of Annapolis and the Annapolis Maritime Museum,
4 Inc. for the lease of certain municipal property, is hereby approved and authorized.
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6 **SECTION II: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE**
7 **ANNAPOLIS CITY COUNCIL** that in accordance with Article III, Section 8 of the Charter of
8 the City of Annapolis, the proposed lease of City-owned property will better serve the public
9 need for which the property was acquired.
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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.
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15 **EXPLANATION**

16 CAPITAL LETTERS indicate matter added to existing law.

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

18 Underlining indicates amendments
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**CITY OF ANNAPOLIS AMENDMENT NO. 1
TO LEASE AGREEMENT**

THIS AMENDMENT NO. 1 TO LEASE AGREEMENT is made this _____ day of _____, 2015 (the “Amendment”), by and between the City of Annapolis, a municipal corporation of the State of Maryland (“Lessor”), and **ANNAPOLIS MARITIME MUSEUM, INC.**, a Maryland corporation, its successors and assigns (collectively, the “Lessee”).

WHEREAS, by Lease Agreement dated February 15, 2006 (“Lease”), the Lessor leased the property consisting of the “McNasby” building located at 723 Second Street, the Bargehouse located at 133 Bayshore Drive, and all open space common areas and docking facilities, as further described in the Lease (the “Premises”) to the Lessee; and

WHEREAS, both parties now desire to amend the Lease to adjust the rent and other material terms.

NOW THEREFORE, the parties hereto mutually agree for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged and agreed as follows:

1. The first “WHEREAS” paragraph of the Lease shall be deleted and the following shall be inserted in lieu thereof:

WHEREAS, Lessor owns the property known as the McNasby’s/Bargehouse site located at 723 Second Street in Annapolis, Maryland, as more accurately described in a Deed recorded at Liber 04939, folio 503 among the Land Records of Anne Arundel County, and all improvements located thereon; and

2. Paragraph 3 of the Lease shall be deleted and the following shall be inserted in lieu thereof:

Waiver of Rent: In lieu of monetary rental payments, and recognizing the Lessee’s prior substantial expenditures for and improvements to the Premises, the Lessee, at its sole cost and expense, shall continue to provide maintenance and repair services for the Premises as specified in the Lease and this Amendment, to complete various projects for the Premises, including those set forth in a Master Agreement dated January 21, 2015 attached as Exhibit A (collectively the “Projects”), and to otherwise perform all interior and exterior maintenance, repairs and services to and for the Premises.

3. Paragraph 8 of the Lease shall be deleted and the following shall be inserted in lieu thereof:

Maintenance of the Premises: The Lessee shall be solely responsible for the maintenance of the Premises and shall keep in good repair all improvements located therein. Such maintenance shall include, but shall not be limited to, all janitorial work, HVAC, plumbing, electric and related items. In addition, the Lessee assumes responsibility for maintenance of the Premises, and shall police, light and maintain the Premises in a clean, safe and secure manner. The Lessee shall be responsible for the maintenance and operation of all building systems for the Premises. The Lessee shall make all structural repairs, including, but not limited to, structural columns and floors, roofs, and exterior

1 walls of the Premises, and maintain the parking facilities servicing the Premises. The
2 Lessor agrees to cut and maintain the grass areas located on the grounds of the
3 Premises.

- 4 4. The names and addresses in Paragraph 24 of the Lease shall be updated, as follows:

5 **Lessor:** City Attorney
6 City of Annapolis Office of Law
7 160 Duke of Gloucester Street
8 Annapolis, Maryland 21401

9 **Lessee:** ANNAPOLIS MARITIME MUSEUM, INC.
10 Chairman
11 P.O. Box 3088
12 Annapolis, Maryland 21403

- 13 5. A new Paragraph 26 shall be added to the Lease, as follows:

14 a. The Lessor and its employees, representatives, agents, and servants, including
15 any builder or contractor employed by the Lessor, shall have the absolute unconditional
16 right at any and all reasonable times, after not less than forty-eight (48) hours notice to
17 the Lessee (except in the case of an emergency where no such notice is required), to enter
18 the Premises for any of the following purposes: (a) to inspect the Premises; (b) in the
19 case of a safety hazard or other emergency, to make such repairs and/or changes in the
20 Premises as the Lessor may deem necessary, the cost of which the Lessee shall reimburse
21 within thirty (30) calendar days of the Lessor's invoice; (c) to enforce and carry out any
22 provision of this Lease; (d) for any purpose relating to the safety, protection or
23 preservation of the Premises; or (e) for any other purpose related to the enforcement of
24 this Lease.

25 b. The Lessor shall use reasonable efforts to minimize interference to the Lessee's
26 business or use of the Premises when making inspections or when otherwise on the
27 Premises, but the Lessor shall not be required to perform the inspections or otherwise
28 enter the Premises at any time other than during normal working hours.

- 29 6. Furthermore, it is understood and agreed by the parties that the Lessor's annual
30 community grant contribution to the Lessee for the Lessor's fiscal year of 2016 shall be
31 eliminated in and as consideration of the elimination of rent under the Lease.

- 32 7. Exhibit A, attached to this Amendment, shall be incorporated into the Lease.

- 33 8. All other terms and conditions of the Lease shall remain unchanged and in full force and
34 effect.

- 35 9. This Amendment may be executed in any number of counterparts and by the parties
36 hereto in separate counterparts, each of which when so executed and delivered shall be
37 deemed to be an original and all of which taken together shall constitute but one and the
38 same instrument.

1 10. This Amendment is authorized by Ordinance O-1-16.

2
3 **IN WITNESS WHEREOF**, the parties have executed this Amendment the day and year
4 first written above.

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6 WITNESS: ANNAPOLIS MARITIME MUSEUM,
7 INC.

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10 _____ By: _____
11 Eric Rubin (Seal)
12 Chairman of the Board

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15 ATTEST: CITY OF ANNAPOLIS

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

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22
23 APPROVED FOR FINANCIAL SUFFICIENCY: REVIEWED AND APPROVED BY:

24
25
26 _____
27 Bruce T. Miller, Director Thomas C. Andrews, City Manager
28 Finance Department

29
30 APPROVED FOR FORM AND LEGAL SUFFICIENCY:

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32
33 _____
34 OFFICE OF THE CITY ATTORNEY
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