

1 **..Title**

2 **Lease of City Property to the Annapolis Maritime Museum** – For the purpose of authorizing a
3 lease of certain municipal property located in the City Dock in Annapolis, Maryland to the
4 Annapolis Maritime Museum for certain periods of time in FY 2023 and FY 2024.

5 **..Body**

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

8 **Ordinance 12-23**

9 **Introduced by: Mayor Buckley**

10

11 **Referred to**

12 Economic Matters Committee
13 Environmental Matters Committee
14 Finance Committee

15

16 **AN ORDINANCE** concerning

17

18 **Lease of City Property to Annapolis Maritime Museum**

19

20 **FOR** the purpose of authorizing a lease of certain municipal property located in the City Dock
21 in Annapolis, Maryland to the Annapolis Maritime Museum for certain periods of time in
22 FY 2023 and FY 2024.

23

24 **WHEREAS,** the City of Annapolis is the fee simple owner of the property known and described
25 as the City Dock in Annapolis, Maryland, which is improved by docking space,
26 boat slips and a boardwalk, and the City of Annapolis has space therein to lease;
27 and

28 **WHEREAS,** Annapolis Maritime Museum desires to lease certain portions of the City Dock as
29 a pilot lease, including docking space (collectively, the Premises”), and as more
30 particularly described in Paragraph 1 of this Lease; and

31 **WHEREAS,** the Tenant owns the Vessel, one of the last such vessels on the Chesapeake Bay, and
32 further desires to lease Premises for the purpose of exhibiting and providing
33 onboard sailing opportunities that would be afforded to the public by the Vessel’s
34 presence at the City Dock; and

35 **WHEREAS,** the Annapolis City Council believes that the proposed lease of City property would
36 benefit the City; and

1 **WHEREAS**, a lease setting forth details of the rental has been prepared and is considered
2 satisfactory; and

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

5

6 **NOW, THEREFORE,**

7 **SECTION I: BE IT ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY**
8 **COUNCIL** that the proposed lease between the City of Annapolis and Annapolis Maritime
9 Museum for the rental of certain municipal property in the general City Dock area, as described in
10 the lease, a copy of which is attached hereto and made a part hereof, for portions of FY 2023 and
11 FY 2024, more specifically described in the attached lease, and subject to the option to expand or
12 reduce the number of days of the tenancy as provided in the lease, is hereby approved and the
13 Mayor is hereby authorized to execute the lease on behalf of the City of Annapolis.

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15 **SECTION II: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE**
16 **ANNAPOLIS CITY COUNCIL** that it is expressly found by the City Council that the property
17 to be leased will better serve the public need for which the property was acquired by stimulating
18 local interest in the boating industry, encouraging visitors and residents of the City to visit the
19 harbor and dock area, by rental income to the City and otherwise providing economic benefits to
20 the City.

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22 **SECTION III: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE**
23 **ANNAPOLIS CITY COUNCIL** that this Ordinance shall take effect immediately upon passage.

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**LEASE AGREEMENT (CITY DOCK)
WITH
ANNAPOLIS MARITIME MUSEUM, INC.**

THIS LEASE AGREEMENT (“Lease”) is made this ____ day of _____, 20[___], by and between the City of Annapolis, a municipal corporation of the State of Maryland (the “City”), and **ANNAPOLIS MARITIME MUSEUM, INC.**, a Maryland not-for-profit corporation (the “Tenant”).

WHEREAS, the City is the fee simple owner of the property known and described as the City Dock in Annapolis, Maryland (the “City Dock”), which is improved by docking space, boat slips and a boardwalk, and the City has space therein to lease; and

WHEREAS, the Tenant desires to lease certain portions of the City Dock as a pilot lease, including docking space (collectively, the Premises”), and as more particularly described in Paragraph 1 of this Lease; and

WHEREAS, the Tenant wishes to lease the Premises for the purpose of docking its vessel and carrying on its business related to its historic skipjack vessel s/v “Wilma Lee” (the “Vessel”); and

WHEREAS, the Tenant owns the Vessel, one of the last such vessels on the Chesapeake Bay, and further desires to lease Premises for the purpose of exhibiting and providing onboard sailing opportunities that would be afforded to the public by the Vessel’s presence at the City Dock; and

WHEREAS, the parties desire to enter into this Lease that defines the rights, duties, and liabilities of the parties for a pilot term of use and occupancy.

NOW, THEREFORE, in consideration of the mutual promises and covenants of this Lease, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and the Tenant agree as follows:

1. Identification of the Premises; Restrictions.

- a. The City hereby rents and leases to the Tenant, and the Tenant hereby rents and leases from the City, for the Term of this Lease (as defined herein) and for the rent and upon the other terms set forth herein, the Premises consisting of a changeable seventy-five (75) linear feet of docking space in the City Dock area, which actual docking space will differ as more particularly described and depicted in Attachment A attached hereto and incorporated herein.
- b. The Tenant understands and hereby agrees that the Premises is encumbered by the following restriction(s): Burtis/Long Dock, Easement Agreement dated December 15, 2021 by and between the City and the State of Maryland to the use of the Department of Natural Resources recorded in the Land Records of Anne Arundel County, Maryland in Book 38521, Page 338.
- c. The Premises and this Lease shall not include any parking spaces or areas for the Tenant, or its employees, guests, invitees, attendees, or visitors.

1 **2. Term; Extension.**

2 a. The City leases to the Tenant and the Tenant hereby leases from the City the
3 Premises for only those certain dates (each a "Use Date" and collectively, the "Use
4 Dates") as specified below during a term commencing on April 7, 2023, and ending
5 August 18, 2023 (the "Term"), unless sooner terminated in accordance with the
6 provisions of this Lease:

7 (i) During the month of April 2023, the Tenant's use and occupancy of
8 the Premises shall be limited to the dates of April 7-21, 2023;

9 (ii) During the month of May 2023, the Tenant's use and occupancy of
10 the Premises shall be limited to the dates of May 5-19, 2023;

11 (iii) During the month of June 2023, the Tenant's use and occupancy of
12 the Premises shall be limited to the dates of June 9-23, 2023;

13 (iv) During the month of July 2023, the Tenant's use and occupancy of
14 the Premises shall be limited to the dates of July 14-28, 2023; and

15 (v) During the month of August 2023, the Tenant's use and occupancy
16 of the Premises shall be limited to the dates of August 4-18, 2023.

17 b. In the event of a substantive, material change in the condition of the Premises, the
18 approval of City Council may be required.

19 c. For the purpose of keeping the Mayor and City Council of Annapolis apprised of
20 any changes to the Premises or the Tenant's use of the Premises, after the end of
21 the Term, the Tenant shall, if requested by the City in writing fourteen (14) calendar
22 days prior thereto, attend a City Council meeting or work session to report on any
23 such changes.

24 **3. Rent.**

25 a. As Rent for the Premises, the Tenant shall pay unto the City Fourteen Thousand
26 Six Hundred Eighty Dollars and No Cents (\$14,680.00) payable in equal monthly
27 installments of Two Thousand Nine Hundred Thirty-Six Dollars and No Cents
28 (\$2,936.00) (collectively, the "Rent").

29 b. Each payment shall be made promptly when due, in advance, on the first day of
30 each month, without deduction, setoff or counterclaim whatsoever, and without
31 demand. All payments shall be made payable to the "City of Annapolis" and shall
32 be sent or delivered to the City's Harbormaster, 1 Dock Street, Annapolis,
33 Maryland 21401.

34 c. The Tenant shall also pay as additional rent all sums which the Tenant assumes or
35 agrees to pay under Paragraph 5, Paragraph 7(f) and Paragraph 11(c) of this Lease
36 (the "Additional Rent"), and in the event of any nonpayment thereof, the City shall
37 have all the rights and remedies provided in this Lease and/or by law or at equity.

- 1 d. Except as otherwise provided for in this Lease, any Additional Rent shall be due
2 and payable thirty (30) calendar days after receipt of notice of amount due and
3 payable. All payments shall be made payable to the "City of Annapolis" and shall
4 be sent or delivered to the Annapolis Harbormaster, 1 Dock Street, Annapolis,
5 Maryland, 21401.
- 6 e. In the event the Rent or Additional Rent under this Lease, or any part thereof, shall
7 remain unpaid for a period of fifteen (15) business days after the day on which it is
8 due, then in addition to all other sums due by the Tenant under this Lease, the
9 Tenant shall pay the City as Additional Rent: (1) late fees equal to one and one-half
10 percent (1.5%), or eighteen percent (18%) per annum, of the unpaid amount, and
11 (2) if an action of any type is filed in any court, reasonable attorney's fees.
- 12 f. The Tenant shall also pay, from time to time, all state, county and local taxes, and
13 assessments of any kind and nature whatsoever, including, but not limited to any
14 applicable admissions and amusement tax, and further including all interest and
15 penalties on them, which shall or may accrue or required by law during the Term
16 of this Lease for the Premises. The Tenant shall pay all such taxes and assessments
17 before any fine, penalty, interest, or cost may be added for nonpayment, and shall
18 furnish to the City, on request, official receipts or other satisfactory proof
19 evidencing such payment. If any tax or assessment is payable in installments over
20 a period of years, the Tenant shall be liable only for payment of those installments
21 falling due and payable during the Term, with appropriate pro-ration in case of
22 fractional years. Taxes and assessments shall not be deemed to include any
23 municipal, state or federal income taxes assessed against the City, or any municipal,
24 state or federal capital levy, estate, succession, inheritance or transfer taxes of the
25 City, or any franchise taxes imposed on the City, or any income, profits or revenues
26 tax, assessment or charge imposed on the Rent received as such by the City under
27 this Lease.

28 **4. Quiet Enjoyment.**

29 The Tenant may peaceably and quietly have, hold and enjoy the Premises for the Term of
30 this Lease subject, however, to the terms of this Lease and compliance with those terms.

31 **5. Utilities; Trash and Recycling Collection.**

- 32 a. The Tenant's electric service for the Premises shall be paid monthly as Additional
33 Rent at the following flat rates, as applicable, of Four Dollars and No Cents (\$4.00)
34 per 24-hour period for a 30 AMP and/or Seven Dollars and Fifty Cents (\$7.50) per
35 24-hour period for a 50 AMP.
- 36 b. The Tenant shall pay the City monthly as Additional Rent a waste disposal fee of
37 Twenty-Five Dollars and No Cents (\$25.00) per week, and additionally, at its sole
38 cost and expense, shall be responsible for keeping the Premises free of debris, trash
39 and refuse, and shall remove (or cause to be removed) all trash and recycling from
40 the Premises. The Tenant shall use concerted efforts to prevent any debris, trash
41 and refuse from the Vessel from ending up in City waters.

- 1 c. The Tenant is strongly encouraged to ensure that its operations in connection with
2 the Lease minimize the use of plastic and incorporate recycling practices.
- 3 d. Fresh water to wash down the Vessel may be available at the Premises with prior
4 permission from the City's Harbormaster.

5 **6. Vessel Authorized at the Premises.**

6 The Tenant shall only have authority to dock the Vessel at the Premises.

7 **7. Use of the Premises.**

- 8 a. The Tenant may use and occupy the Premises during the Term of this Lease only
9 for the purpose of docking its vessel(s) and carrying on its business of exhibiting
10 and providing onboard sailing opportunities by the Tenant related to the Vessel,
11 which this Lease authorizes at the Premises, and for no other purpose whatsoever.
12 The only commercial activity permitted at the Premises is commercial activity
13 allowed pursuant to Title 15 of the City Code. Except as otherwise specified in
14 Paragraph 8, of this Lease, the Vessel shall be permitted to come and go from the
15 Premises as determined by the Tenant.
- 16 b. The Tenant accepts the Premises in "as is" condition. The City makes no
17 representation or warranty with respect to the condition or state of the land, or the
18 Premises, or its fitness for any particular use, and the City shall not be liable for
19 any latent or patent defect thereon. Unless as otherwise expressly provided in this
20 Lease, the City does not make, and specifically disclaims, any representations,
21 warranties or covenants of any kind or character, express or implied, with respect
22 to the nature, condition, economical, functional, environmental or physical
23 condition of the Premises.
- 24 c. The Tenant shall not use or occupy or permit the Premises, or any part thereof, to
25 be used or occupied, nor do or permit anything to be done in or on the Premises in
26 a manner which would in any way (1) violate any of the terms of this Lease; (2)
27 make it difficult for either the City or the Tenant to obtain fire or other insurance
28 required by this Lease at standard rates; (3) cause or create a public or private
29 nuisance in or on the Premises or the City Dock; or (4) tend to impair or interfere
30 with the character, reputation or appearance of the Premises or the City Dock.
- 31 d. The Tenant shall not discharge or board passengers at the plaza located at that
32 portion of the City Dock closest to the Market House, commonly known as the end
33 of Ego Alley.
- 34 e. The Tenant may sell alcoholic beverages, non-alcoholic beverages, and/or food to
35 their customers or clients, as part of the purpose under this Lease; provided that the
36 Tenant first obtains all applicable licenses and permits to engage in such activity.
- 37 f. The City's Harbormaster will, as expeditiously as possible, take action to remove
38 any unauthorized vessel from the Tenant's designated dock space on the Premises.
39 During any periods of unauthorized occupancy of the Tenant's dock space by
40 another vessel, the City's Harbormaster may require the Tenant to dock the Vessel

1 at the Charter Dock, another location on the Long Dock, or the DNR Dock when
2 the Long Dock or the Charter Dock is unavailable. Provided, however, that the City
3 shall not assume or incur any liability for failing to remove any unauthorized vessel
4 from the Premises, and the Tenant hereby unconditionally and completely waives
5 and releases all complaints, claims, suits and actions of all types, both
6 administrative and judicial, against the City in connection therewith.

- 7 g. The City shall have the right to remove from the Premises, without any liability
8 whatsoever for so doing, and without prior or subsequent notice to the Tenant, any
9 alterations made by the Tenant which are made without the consent required in
10 Paragraph 11 of this Lease. The cost of removal and/or repairs associated with any
11 such unauthorized alterations, including any administrative costs incurred by the
12 City, shall be billed to the Tenant, and shall be due and payable by the Tenant as
13 Additional Rent.
- 14 h. The Tenant shall conduct its business in and about the City Dock and the Premises
15 in an orderly manner, and shall keep the Vessel neat and clean and shall maintain
16 the area immediately adjacent to its mooring area on the Premises and the Premises
17 itself in a neat and clean manner.
- 18 i. Amplified music or other amplified sound on the Premises shall not exceed the
19 maximum decibel levels specified in Chapter 11.12 of the Code of the City of
20 Annapolis, as may be amended.
- 21 j. The Tenant shall not perform, or allow to be performed, any fueling or repair work
22 in the Annapolis Charter Dock or Harbor areas.
- 23 k. The City's Harbormaster reserves the right to move the Vessel located at the
24 Premises by hand and line, with or without your presence, in case of emergency.
- 25 l. The Tenant shall not keep any charter/vessel support vehicles in Susan Campbell
26 Park.
- 27 m. The Tenant shall comply with the Americans with Disabilities Act ("ADA") during
28 embarkation and debarkation of its customers, guests, invitees, participants, or
29 other attendees at the Premises.
- 30 n. The Tenant understands and agrees that the City's Harbormaster does not provide
31 line handlers, docking assistance or parking for any customers or guests related to
32 Premises usage.
- 33 o. The Tenant understands and agrees that the City's Harbormaster deals only with
34 the Tenant, or Tenant-designated operators, on issues related to dockage, loading,
35 parking or any other items related to the use of the Premises facilities, and the
36 Tenant shall not refer its customers to the City's Harbormaster.
- 37 p. The Tenant shall not be permitted to store any materials or personal property,
38 except for the Vessel and its contents, at the Premises or the City Dock area.

39 **8. City's Right to Temporary Use of the Premises.**

- 1 a. The City shall have the right and privilege on not less than seven (7) calendar days
2 prior notice from the City to the Tenant to reclaim and use all or some of the
3 Premises in order to meet any contractual or legal obligations relating to prior leases
4 of the City Dock and any recorded encumbrances on the Premises. The City shall
5 also have the right and privilege, with the consent of the Tenant, which consent
6 shall not be unreasonably withheld, on not less than seven (7) calendar days prior
7 notice from the City to the Tenant, to reclaim and use all or some of the Premises
8 in order to accommodate certain other special events, shows or programs conducted
9 from time to time at or on the City Dock. In such event, the Tenant shall vacate the
10 designated portion of the Premises to which the obligation or consent applies, and
11 remove the Vessel from that designated portion of the Premises during the period
12 specified in the City's notice. The City and the Tenant shall cooperate with one
13 another to address both parties' concerns regarding any such special event, show,
14 or program, and to relocate the Vessel to the Charter Dock, another location on the
15 Long Dock, or the DNR Dock when the Long Dock or the Charter Dock is
16 unavailable.
- 17 b. The Tenant shall make reasonable good faith efforts to communicate and cooperate
18 with the City's Harbormaster regarding any periods of time other than Paragraph
19 8(a) above when the Premises will be vacant, and the City's Harbormaster shall
20 have temporary use of all or a portion of the Premises during any such vacancies.
- 21 c. If the Tenant is required to vacate any portion of the Premises due to any events,
22 shows or programs, other than a contractual or legal obligation as described in
23 Paragraph 8(a) above, the Tenant shall be entitled to a pro rata abatement of the
24 Rent due pursuant to this Lease based on the ratio which the number of days of
25 vacancy specified in the City's notice bears to the total Rent, and based on the
26 portion of the Premises vacated.

27 **9. City Rights.**

- 28 a. The City and its employees, representatives, agents, and servants, including any
29 builder or contractor employed by the City, shall have the absolute unconditional
30 right at any and all reasonable times, after not less than twenty-four (24) hours prior
31 notice to the Tenant (except in the case of an emergency where no such notice is
32 required), to enter the Premises for any of the following purposes: (a) to inspect the
33 Premises; (b) to make such repairs and/or changes in the Premises as the City may
34 deem necessary or proper; (c) to enforce and carry out any provision of this Lease;
35 (d) for any purpose relating to the safety, protection or preservation of the Premises;
36 or (e) for any other purpose related to the enforcement of this Lease.
- 37 b. The City shall use reasonable efforts to minimize interference to the Tenant's
38 business or use of the Premises when making inspections or repairs, but the City
39 shall not be required to perform the inspections or repairs at any time other than
40 during normal working hours.
- 41 c. The City's Harbormaster reserves the right to require the Tenant to immediately
42 move or relocate the Vessel to another area of the City Dock, or other City docking
43 facility, at any time due to exigent circumstances, in the City's Harbormaster's

1 reasonable discretion, which exigent circumstances may include but are not limited
2 to, (1) compliance with U.S. Coast Guard, Maryland Department of Natural
3 Resources, or U.S. Customs directives, orders, and/or requirements; (2) search and
4 rescue operations; and (3) preparation for Force Majeure Events, as defined herein,
5 or other extreme weather or acts of God. The City's Harbormaster will provide as
6 much notice as reasonably possible to the Tenant if such relocation is necessary
7 pursuant to this subparagraph. The Tenant shall promptly acknowledge receipt of
8 such notice. Notice and acknowledgement shall be made via email, unless forty-
9 eight (48) hours or less notice is provided to Tenant, then, notice and
10 acknowledgement shall be made via text message and email.

- 11 d. The City's Harbormaster further reserves the right to require the Tenant to move or
12 relocate the Vessel to another area of the City Dock, or other City docking facility,
13 with at least forty-eight (48) hours' notice for a purpose integral to City harbor
14 operations. The Tenant shall promptly acknowledge receipt of such notice. Notice
15 and acknowledgement shall be made via text message and email.

16 **10. Tenant Equipment, Vessel, Personal Property.**

17 The Tenant shall retain ownership of all of its trade and business equipment, the Vessel
18 and personal property from time to time installed or located on the Premises. The Tenant
19 may remove any such fixtures, equipment or Vessel (subject to Paragraph 6 of this Lease)
20 at any such time during the Term, and shall remove all of it prior to the expiration or earlier
21 termination of this Lease. Removal shall not cause any damage to the Premises or the City
22 Dock.

23 **11. Repairs and Maintenance.**

- 24 a. The Tenant shall not make or cause to be made any alterations, additions, or
25 improvements to the Premises without obtaining the prior written consent of the
26 City that may be withheld in the City's sole and absolute discretion.
- 27 b. Prior to the Tenant repairing, replacing or otherwise altering any aspect of the
28 Premises or the City Dock, the Tenant shall provide the City with thirty (30)
29 calendar day prior written notice specifying the need for and nature of any and all
30 such repairs, replacements or alternations, and providing the City with a copy of all
31 applicable contracts or agreements with any third party hired by the Tenant to
32 perform such repairs, replacements or alterations. The Tenant or its contractors
33 shall not start or undertake any such repairs, replacements or alterations without the
34 prior written approval of the City, and without first obtaining all necessary permits
35 and governmental approvals. Such approved repairs, replacements or alterations
36 shall be made and rendered by professional contractors licensed in the State of
37 Maryland, be done in a good and workmanlike manner, and shall comply in all
38 respects with all applicable federal, state, and local laws, ordinances and
39 regulations, including, but not limited to, zoning, building and fire code
40 requirements.
- 41 c. If the City is required to make any repairs to such portions of the Premises by
42 reason, in whole or in part, of the negligent or willful act or failure to act by the

1 Tenant or the Tenant's employees, agents, contractors, guests or invitees, the City
2 may collect the cost of any and all such repairs from the Tenant as Additional Rent.

- 3 d. The City shall be responsible for the maintenance and repair, including making any
4 necessary replacements of same, of the docks, sidewalks, paving, pilings, dolphins
5 and other structures, improvements, fixtures and equipment owned by the City at
6 the City Dock, in the City's sole discretion, and subject only to applicable laws,
7 regulations and City appropriations. The City shall be responsible for removal of
8 trash and other rubbish from the docks, sidewalks and paving owned by the City at
9 the City Dock, in the City's reasonable discretion, and subject to City staffing and
10 financial restrictions. The City shall arrange for the removal of all snow and ice
11 from the docks, sidewalks and paving owned by the City at the City Dock, which
12 removal shall occur after the City, in its sole discretion, has addressed all other City
13 streets, facilities, and areas that may need snow removal.
- 14 e. The City shall have no liability to the Tenant by reason of any inconvenience,
15 annoyance, interruption, or injury to business or other use or occupancy arising
16 from making any repairs or changes that the City is required or permitted to make
17 in or to any portion of the Premises pursuant to this Lease or by law.

18 **12. Security, Property Loss Damage.**

- 19 a. The Tenant assumes all risks associated with the security of the Premises. The City
20 shall have no obligation or duty with regard to security. The Tenant shall police and
21 maintain the Premises in a clean, safe and secure manner.
- 22 b. The City, its elected officials, appointees, directors, employees, agents, contractors
23 and representatives (the "Indemnified Parties") shall not be liable for any damage
24 to property of the Tenant or of others located on the Premises or entrusted to its or
25 their employees, nor for the loss of any property by theft or otherwise, nor for any
26 injury or damage to persons or property resulting from theft, casualty, acts of God,
27 fire of every nature and type, the accumulation of snow or ice, explosion, steam,
28 gas, electricity, wind, water, rain or snow, or from the pipes, appliances or plumbing
29 works of the same or from the street or subsurface or from any other place, or from
30 any other cause whatsoever; nor shall the City be liable for any such damage caused
31 by other tenants or persons in the Premises, or for damage caused by operations in
32 construction of any public or quasi-public works. All property of the Tenant kept
33 or stored on the Premises shall be so kept at the risk of the Tenant only and the
34 Tenant shall indemnify, defend and hold the Indemnified Parties harmless from any
35 claims arising out of damage to the same, including subrogation claims by the
36 Tenant's insurance carrier.

37 **13. Default; Right to Cure; Termination.**

38 In the event the Tenant should materially default in performance of its obligations under
39 this Lease, and such default continues for more than thirty (30) calendar days after the City
40 has given written notice to the Tenant and opportunity to cure such default, the City shall
41 have the right to immediately terminate the Lease and/or to pursue reimbursement from the
42 Tenant for any damages to the City resulting from the Tenant's material default of this

1 Lease. The Tenant shall not be deemed to have defaulted under this Lease unless and until
2 (i) the Tenant is given written notice of the alleged material default in accordance with the
3 notice provisions of this Lease, and (ii) the condition constituting the alleged material
4 default is not cured within thirty (30) calendar days after such notice is given; provided,
5 however, in the event the condition complained of is not capable of being cured within
6 such thirty (30) calendar days, the Tenant shall have such additional time as required if
7 within such thirty (30) calendar day period the Tenant commences the cure and diligently
8 prosecutes same to completion. For purposes of this Paragraph 13, “materially default”
9 and/or “material default” shall mean one (1) or more of the following:

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

30
31 **14. Force Majeure Event(s).**

- 32 a. Notwithstanding any other terms or provisions of this Lease, in the event the City
33 is temporarily or permanently prevented, restricted or delayed in the performance
34 of any or all of the duties and obligations imposed upon or assumed by it hereunder,
35 by act of the General Assembly of Maryland, by a court of competent jurisdiction,
36 by administrative delay not due to the fault of the City (and its members and agents),
37 or by an unforeseen event, not due to the fault of the City (and its members and
38 agents), including but not limited to unforeseeable causes beyond its control, such
39 as, strikes, fire, storm, sea level rise, or other casualty, acts of God, or force majeure
40 event (each, a “Force Majeure Event”), or other unforeseen occurrences which render

1 impossible or not economically feasible the fulfillment of this Lease, then the City
2 shall not be liable directly or indirectly for any claims caused to or suffered by the
3 Tenant or any other person in connection with or as a result of such prevention,
4 restriction or delay, and the Tenant shall not be liable for the payment of Rent for
5 the applicable term of the Lease.

- 6 b. In case of any loss of or damage to the Premises as the result a Force Majeure Event,
7 the City in its sole and absolute discretion may determine whether or not, and to what
8 extent, to repair or restore any of the Premises. If the City decides to repair or restore,
9 and any portion of the Premises remains suitable for the Tenant's use, then the Tenant
10 shall be entitled to utilize that portion of the Premises. If the City decides not to repair
11 and restore the Premises, then the Tenant may in its discretion elect to remain on the
12 Premises under the provisions of this Lease or to terminate this Lease, it being the
13 Tenant's sole responsibility to restore and/or repair such portions of the Premises as it
14 may elect to undertake. If any portion of the Premises is rendered unusable during
15 the Term as a result of a Force Majeure Event, the Rent due and payable shall be
16 reduced in direct proportion to the area of the Premises rendered unusable. The
17 Tenant shall present documentation including measurements and calculations to
18 support any claim of reduced Premises. In addition, the Tenant shall be entitled to
19 a credit against Rent for all reasonable and documented costs in performing repairs
20 to the Premises as a result of any such Force Majeure Event.
- 21 c. The City and the Tenant shall work cooperatively to determine possible
22 alternatives, solutions and/or remedies to any prevention, restriction, or delay that
23 may occur.
- 24 d. The City shall notify the Tenant within twenty-four (24) hours of the occurrence of
25 a Force Majeure Event and shall, as soon as possible thereafter, advise the Tenant
26 of a good faith estimate of the time that will be required before the delay is ended.
- 27 e. Notwithstanding the language herein, or any Force Majeure Event, or other weather
28 condition or wind speed, the Tenant shall not be entitled to (i) any pro-rated Rent
29 or (ii) change in Use Dates or Term if the Tenant is unable or unwilling to use the
30 Premises during the specified Use Dates or Term due to such Force Majeure Event,
31 weather condition, or wind speed.

32 **15. Signs.**

33 All signs that the Tenant desires to post on the Premises shall be approved in writing and
34 in advance by the City, the Historic Preservation Commission of the City of Annapolis,
35 and any other agency if required by law. The Tenant shall maintain any signs, as may be
36 approved by this Paragraph, and shall repair and replace when necessary to keep in good
37 condition and repair at all times. Any approved sign shall not be permanently affixed or
38 anchored to the sidewalk or street, and shall not obstruct pedestrian or vehicular traffic or
39 visibility, or adversely affect the safety of pedestrian or vehicular traffic. That sign shall
40 not have any animated, flashing, moving, or rotating components. That sign shall be no
41 larger than thirty-two square feet. Any damage caused by such sign shall be invoiced to the
42 Tenant as Additional Rent.

1 **16. Compliance with Law; No Peddlers, Hawkers, Itinerant Merchant License.**

- 2 a. The Tenant, at its sole cost and expense, shall keep in force all licenses, consents
3 and permits necessary for the lawful use of the Premises for the purposes of this
4 Lease. The Tenant shall comply with all laws, regulations, ordinances and rules
5 applicable to the Premises and/or the Business, including, but not limited to, rules
6 adopted by the City’s Harbormaster and/or the City Director of the Department of
7 Recreation and Parks. The Tenant, at its sole cost and expense, shall promptly
8 comply with and do all things required by any notice served upon it or upon the
9 City in relation to the Premises or any part thereof, from any of the departments or
10 agencies of the City, a county, the State of Maryland, or the United States, if the
11 same shall be caused by the Tenant’s use of the Premises. The Tenant shall pay all
12 costs, expenses, claims, fines, penalties, and damages that may in any manner arise
13 out of the failure of the Tenant to comply.
- 14 b. A license for peddlers, hawkers, and itinerant merchants pursuant to Chapter 7.40
15 of the Annapolis City Code is not required to be obtained by the Tenant during the
16 Term of this Lease and/or for the purpose of using the Premises.
- 17 c. The Tenant shall have a reasonable time to correct any violation under Paragraph
18 16(a).

19 **17. Insurance; U.S. Coast Guard Inspection.**

- 20 a. The Tenant shall for the duration of this Lease maintain and pay the premiums for
21 a policy of insurance covering liability for personal injury and property damage
22 arising out of its business and operations pursuant to this Lease in the amount of no
23 less than One Million Dollars (\$1,000,000.00) per person for bodily injury and
24 property damage and Three Million Dollars (\$3,000,000.00) for each occurrence in
25 the aggregate.
- 26 b. The Tenant shall have adequate workers’ compensation insurance covering its
27 employees who enter and/or work on the Premises, and in no event shall the
28 coverage in such policy be less than One Million Dollars (\$1,000,000.00) per
29 person for accidental bodily injury and occupational disease.
- 30 c. The insurance policy or policies shall specifically name the “City of Annapolis, its
31 elected officials, appointees, directors, employees, agents, contractors and
32 representatives” as additional insureds.
- 33 d. The Tenant’s insurer or insurers shall be authorized to write the required insurance,
34 approved by the Insurance Commissioner of the State of Maryland, and subject to
35 the approval of the City Attorney. The form and substance of the Tenant’s insurance
36 policy or policies shall also be subject to reasonable approval by the City Attorney,
37 and shall be submitted to the City Attorney at 160 Duke of Gloucester Street,
38 Annapolis, Maryland 21401, with a copy to the City’s Harbormaster at 1 Dock
39 Street, Annapolis, Maryland 21401, for such approval not less than thirty (30)
40 calendar days prior to the Tenant's occupancy of the Premises.

- 1 e. The certificate for each insurance policy or policies shall contain a statement on its
2 face that the insurer will not cancel the policy or fail to renew the policy, whether
3 for nonpayment of premium, or otherwise, whether at the request of the Tenant or
4 for any other reason, except after thirty (30) calendar days advance written notice
5 mailed by the insurer or the Tenant to the City Attorney, and that such notice shall
6 be transmitted postage prepaid, return receipt requested.
- 7 f. The obligations of the Tenant under this Paragraph 17 are part of but do not limit
8 or satisfy the Tenant's obligations under the remainder of this Lease.
- 9 g. The Tenant shall obtain and maintain throughout the Term of this Lease a valid and
10 current United States Coast Guard certificate of inspection for the Vessel to be used
11 at the Premises, and shall provide a copy of such certificate(s) to the City at the start
12 of the Term and as often as may be requested by the City.

13 **18. Surrender of Premises.**

- 14 a. On the last day or earlier termination of this Lease, the Tenant shall vacate the
15 Premises and leave it in good condition and repair, normal wear and tear excepted.
16 If the Premises are not surrendered when required, the Tenant shall indemnify,
17 defend and hold the Indemnified Parties (as defined in Paragraph 12 of this Lease)
18 harmless against loss or liability resulting from the delay by the Tenant in vacating
19 the Premises, including, without limitation, any claims made by any succeeding
20 tenant or other occupant founded on such delay. Any holding over with the consent
21 of the City after the termination of this Lease shall be construed to be a tenancy
22 from month-to-month upon the same terms and conditions as provided in this
23 Lease, to the extent applicable.
- 24 b. On the last day or earlier termination of this Lease, the Tenant shall, within thirty
25 (30) calendar days and at its own cost and expense, dismantle and remove all of its
26 personal property from the Premises. Any such property not removed at the
27 expiration of this Lease, and the Tenant's continued failure to remove the same
28 within thirty (30) calendar days after receipt of notice from the City, shall be
29 deemed abandoned and, at the election of the City, shall become the property of the
30 City without payment of any kind to the Tenant, without increasing the City's
31 liability to the Tenant, and for any disposition of it as the City decides to make.
- 32 c. Within ten (10) calendar days of vacating, the City shall tour the Premises, with the
33 Tenant present if possible, to determine the condition of the Premises. Any items
34 determined to be in need of correction or repair shall be corrected or repaired by
35 the City, and shall be invoiced by the City and paid by the Tenant within thirty (30)
36 calendar days of such invoicing.

37 **19. Indemnification.**

- 38 a. The Tenant shall indemnify, defend, and hold harmless the Indemnified Parties (as
39 defined in Paragraph 12 of this Lease) from and against any and all actions, suits,
40 causes of action, judgments, claims, and liabilities for loss, injury, damages and/or
41 expenses suffered or alleged to have been suffered by any person or to any property

1 due to or alleged to be due to an act, omission or the negligence of the Tenant, its
2 officers, employees, contractors or other agents, directly or indirectly, in connection
3 with this Lease or the use and occupancy of the Premises or any part of the
4 Premises, whether or not the result of negligence or other fault, during the Term of
5 this Lease.

6 b. In the event the City is required to defend any such actions, suits, causes of action,
7 judgments, claims or other liabilities, the City shall be entitled to participate in its
8 defense, either in whole or in part as it so deems, and to select its own attorneys to
9 provide a defense at the sole expense, for purposes of attorney fees and litigation
10 costs, of the Tenant.

11 c. The Tenant shall reimburse the City, within thirty (30) calendar days after demand
12 for such reimbursement, for any damage done to the City's buildings, facilities,
13 equipment or property caused by an act, omission or the negligence of the Tenant,
14 its officers, employees, contractors or other agents, during the Term, or the Tenant's
15 use and occupancy of the Premises or any part of the Premises, except for that
16 caused by reasonable and ordinary wear and tear. The Tenant may request the City
17 to provide reasonably sufficient documentation or other proof of such damage prior
18 to any reimbursement. If the Tenant disputes any request for reimbursement, it may
19 appeal such request to the City Manager and/or his/her authorized designee for
20 review and reconsideration.

21 **20. Impairment of the City's Title.**

22 The Tenant shall not have the right, power, or permission to do any act or to make any
23 agreement that may create, give rise to, or be the foundation for, any right, title, interest,
24 lien, charge, or other encumbrance on the estate of the City in the Premises. The Tenant
25 shall not permit any part of the Premises to be used by any person or persons or by the
26 public at any time or times during the Term of this Lease, in such manner as might tend to
27 impair the City's title to or interest in the Premises, or in such manner as might make
28 possible a claim or claims of adverse use, adverse possession, prescription, dedication, or
29 other similar claims of, in, to, or with respect to the Premises.

30 **21. Immunities; Reservation of Governmental Authority.**

31 a. The City reserves and shall be entitled to enforce any and all immunities, partial or
32 total, statutory or common law, in any proceeding that is initiated as a result of this
33 Lease, whether initiated by the City, the Tenant or any third party.

34 b. The City reserves the right at all times to exercise full governmental control and
35 regulation with respect to all matters connected with this Lease not inconsistent
36 with the terms of this Lease.

37 c. No remedy provided by this Lease or reserved to the City is intended to be exclusive
38 of any other remedies provided for in this Lease, and each such remedy shall be
39 cumulative, and shall be in addition to every other remedy given under this Lease,
40 or now or hereafter existing at law or in equity or by statute. Every right, power
41 and remedy given to the City shall be concurrent and may be pursued separately,

1 successively or together against the Tenant, and every right, power and remedy
2 given to the City may be exercised from time to time as often as may be deemed
3 expedient by the City.

4 **22. Assignment.**

5 The Tenant shall not assign, transfer, or otherwise dispose of this Lease, except that
6 assignment or transfer of this Lease to a wholly owned subsidiary of the Tenant is
7 allowable.

8 **23. Independent Contractor.**

9 Nothing contained in this Lease shall be construed to constitute the Tenant as an agent,
10 representative, or employee of the City, or to create any relationship between the parties
11 other than landlord and tenant.

12 **24. Tenant's Representations.**

13 The Tenant hereby represents and warrants the following:

- 14 a. The Tenant is a corporation, duly formed and validly existing under the laws of the
15 State of Maryland and is qualified to do business as a 501(c)(3) non-profit
16 organization and is in good standing in the State of Maryland.
- 17 b. The Tenant has the power and authority to consummate the obligations and
18 responsibilities contemplated hereby, and has taken all necessary action to
19 authorize the execution, delivery and performance required under this Lease.

20 **25. Notice.**

- 21 a. All notices pursuant to this Lease shall be by regular mail or email, except notice
22 of default or termination, which shall be by certified mail, return receipt requested,
23 and additionally except for notice related to the City's rights, which shall be as
24 specified in Paragraph 9(c) and 9(d).
- 25 b. Notice to the City shall be to the City's Harbormaster, 1 Dock Street, Annapolis,
26 Maryland 21401, harbormaster@annapolis.gov, 443-481-8311, with a copy to City
27 Attorney, 160 Duke of Gloucester Street, Annapolis, Maryland 21401,
28 cityattorney@annapolis.gov.
- 29 c. Notice to the Tenant shall be to Annapolis Maritime Museum,
30 _____, Annapolis, Maryland _____, [insert email address], [insert
31 direct text phone number].
- 32 d. The parties shall timely advise each other in writing of any change of
33 address.

34 **26. Venue, Waiver of Jury Trial and Governing Law.**

- 35 a. Venue for all judicial proceedings which result from this Lease shall be the courts
36 of Anne Arundel County, Maryland.

1 b. The parties hereby expressly waive trial by jury in any such judicial
2 proceeding.

3 c. The laws of the State of Maryland shall govern all matters relating to this
4 Lease.

5 **27. Integration; Modification or Amendment.**

6 a. This Lease sets forth the entire agreement between the parties relative to the subject
7 matter of this Lease. No representation, promise or condition, whether oral or
8 written, not incorporated herein shall be binding upon either party to this Lease.
9 This Lease shall not be waived, modified or amended except in a writing signed by
10 both parties and witnessed.

11 b. No act by any representative or agent of the City, other than such a written
12 amendment and acceptance by the City, shall constitute an acceptance thereof.

13 **28. Binding Effect.**

14 The terms of this Lease shall be binding upon, enforceable against, and for the benefit of
15 the parties and their successors and assigns.

16 **29. Severability.**

17 If any of the provisions of this Lease are declared by a court or other lawful authority to be
18 unenforceable or invalid for any reason, the remaining provisions hereof shall not be
19 affected thereby and shall remain enforceable to the full extent permitted by law.

20 **30. Survival.**

21 Those paragraphs in this Lease which by their nature are intended to survive shall survive
22 the termination of this Lease.

23 **31. Authorization.**

24 This Lease is authorized by the Council of the City of Annapolis pursuant to O-
25 12-23.

26 **IN WITNESS WHEREOF**, it is the intent of the parties that the Tenant has
27 signed this Lease under seal and, further, that the parties have executed this Lease the
28 day and year first written above.

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WITNESS: ANNAPOLIS MARITIME MUSEUM, INC.

By: _____
Name: _____ (Seal)
Title: _____

ATTEST: CITY OF ANNAPOLIS

Regina C. Watkins-Eldridge, MMC,
City Clerk
By: _____
Gavin Buckley, Mayor

APPROVED FOR FORM AND LEGAL SUFFICIENCY:

Office of Law
D. Michael Lyles, City Attorney

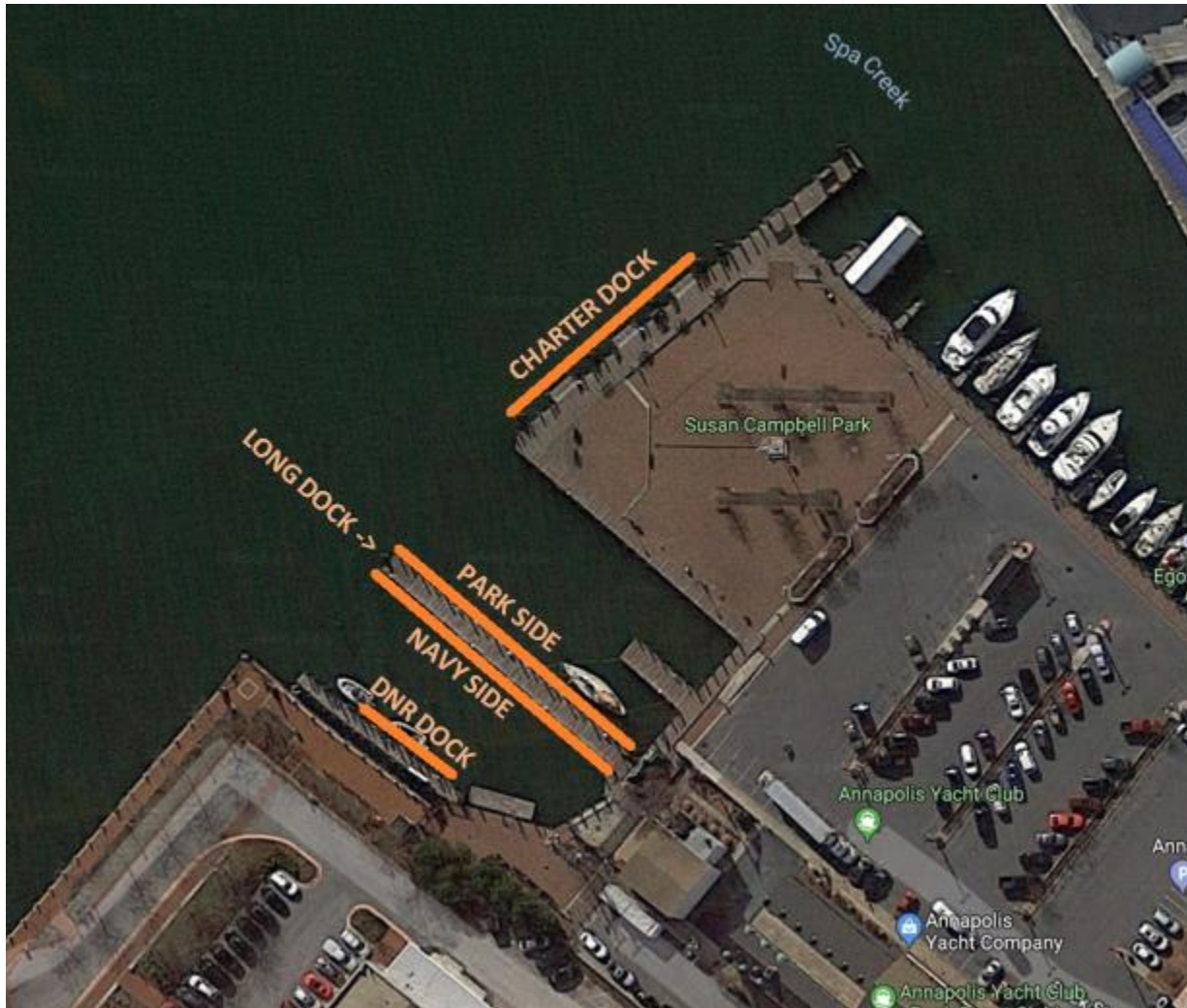
**ATTACHMENT A
THE PREMISES**

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Except as noted below, the docking space for the Premises shall consist of (1) the Susan Campbell Park side of the Long Dock Dock (i.e. Burtis Dock), for those applicable Use Dates, commencing each Sunday at 1:00 PM through each Friday ending at 12:00 PM, and then shifting to (2) the Navy side of the Long Dock (i.e. Burtis Dock), for those applicable Use Dates, commencing each Friday at 12:01 PM through each Sunday ending at 12:59 PM.

Provided that, the docking space for the Premises for two (2) select weekends, namely April 14-16, 2023 and June 16-18, 2023, will remain the Susan Campbell Park side of the Long Dock (i.e. Burtis Dock) commencing those Fridays at 12:01 PM through those Sundays ending at 12:59 PM, and the docking space shall not shift to the Navy side for only those select weekends.

The various docking space options available for the Premises are depicted in more detail in the image/drawing below.



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