1	Title
2	Lease of City Property: Spring 2021-2026 Boat Shows - For the purpose of authorizing a
3	lease of certain municipal property located at the City Dock, surrounding areas and boat
4	moorings in Annapolis, Maryland as more fully described in the Lease Agreement with Cruisers
5	University, Inc., t/a Annapolis Spring Sailboat Show, for certain dates in 2021 through 2026,
6	to conduct boat shows.
7	Body
8	CITY COUNCIL OF THE
9	City of Annapolis
10	
11	Ordinance 10-17
12	
13	Introduced by: Mayor Pantelides and Alderman Budge
14	v v o
15	Referred to:
16	Economic Matters Committee
17	Environmental Matters Committee
18	Finance Committee
19	
20	AN ORDINANCE concerning
21	
22	Lease of City Property: Spring 2021-2026 Boat Shows
23	
24	FOR the purpose of authorizing a lease of certain municipal property located at the City Dock,
25	surrounding areas and boat moorings in Annapolis, Maryland as more fully described in
26	the Lease Agreement with Cruisers University, Inc., t/a Annapolis Spring Sailboat
27	Show, for certain dates in 2021 through 2026, to conduct boat shows.
28	
29	WHEREAS, Cruisers University, Inc., t/a Annapolis Spring Sailboat Show, desires to lease
30	certain municipal property for the purpose of conducting boat shows; and
31	
32	WHEREAS, the Annapolis City Council believes that these proposed boat shows would inure
33	to the benefit of the City; and
34	
35	WHEREAS, a lease agreement setting forth details of the rental has been prepared and is
36	considered satisfactory; and
37	
38	WHEREAS, Article III, Section 8 of the Charter of the City of Annapolis requires the passage
39	of an ordinance to authorize the lease.
40	
41	NOW THEREFORE,
42	
43	SECTION I: BE IT ESTABLISHED AND ORDAINED BY THE ANNAPOLIS
44	CITY COUNCIL that the proposed lease between the City of Annapolis and Cruisers
45	University, Inc., t/a Annapolis Spring Sailboat Show, for the rental of certain municipal
46	property at the City Dock and other property and water locations in Annapolis, Maryland during

2021 through 2026, specifically described in the Lease Agreement, a copy of which is attached
hereto and made a part hereof, hereby approved and the Mayor is hereby authorized to execute
the lease on behalf of the City of Annapolis.

4	
5	SECTION II: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE
6	ANNAPOLIS CITY COUNCIL that it is expressly found by the City Council that the property
7	to be leased will better serve the public need for which the property was acquired by stimulating
8	local interest in the boating industry, encouraging visitors and residents of the City to visit the
9	harbor and dock area, by generating tax revenues and rental income to the City and otherwise
10	providing economic benefits to the City.
11	
12	SECTION III: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY
13	THE ANNAPOLIS CITY COUNCIL that this Ordinance shall take effect from the date of its
14	passage.
15	
16	
17	EXPLANATION
18	CAPITAL LETTERS indicate matter added to existing law.
19	[brackets] indicate matter stricken from existing law.
20	Underlining indicates amendments
21	

		O-10-17 Page 3
1		CITY OF ANNAPOLIS BOAT SHOW LEASE AGREEMENT
2 3		(Spring 2021-2026)
4 5		Authorized by O-10-17
6 7 8 9 10	of State of N	HIS BOAT SHOW LEASE AGREEMENT ("Lease") is made thisday, 2017, by and between the City of Annapolis, a municipal corporation of the Maryland ("Lessor"), and Cruisers University, Inc., a Maryland corporation, trading as spring Sailboat Show (collectively, "Lessee").
11 12		<u>ARTICLE I</u>
13 14	Se	ection 1.1. Premises and Initial Term:
15 16 17 18 19 20 21	incorporat between C	Lessor hereby leases to Lessee those parcels of land and water described below ely, the "Premises"), and as further designated on <u>Exhibit A</u> , attached hereto and ted into this Lease. The Premises shall not include the sidewalk on Dock Street Craig Street and the State-owned property at the end of Dock Street, which are to be left public access subject to the terms of this Lease.
22 23 24	i.	Water parcel from Charter Dock channel-ward into the Spa Creek moorings and the Susan Campbell Park from Monday, April 26, 2021 at 12:01 AM through Tuesday, May 4, 2021 at 5:00 PM.
 25 26 27 28 29 30 31 32 33 24 	ii.	Ego Alley Parcel, but expressly excluding any land or water areas leased by the Lessor to Chesapeake Marine Tours, Inc., which leased area includes (x) the two end boat slips nearest the channel of Spa Creek known as Slips 21 and 22, (y) the end of the dock adjacent to Slip 22 between two dolphins for a distance of not more than eighty feet (80'), and (z) sixty feet (60') along the boardwalk adjacent to the Harbormaster's office (the immediately foregoing (x), (y), and (z) are hereinafter referred to as the "CMT Parcel"), from Monday, April 26, 2021 at 5:00 PM through Monday, May 3, 2021 at 8:00 PM.
34 35 36 37	iii.	Donner Parking Lot Parcel from Tuesday, April 27, 2021 at 7:00 AM through Tuesday, May 4, 2021 at 5:00 PM.
38 39 40 41 42 43	iv.	(Optional) Newman Lot Parcel from Tuesday, April 27, 2021 at 7:00 AM through Tuesday, May 4, 2021 at 5:00 PM. Lessee's use of the Newman Lot shall be contingent on 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 for use of this space. A copy of such letter of permission or separate agreement shall be provided to Lessor.
44 45 46	v.	The State Dock Parcel (or the North Bulkhead City Dock Parcel) adjacent to Susan Campbell Park, from Tuesday, April 27, 2021 at 5:00 PM through Tuesday, May 4,

1 2 3 4 5		2021 at 5:00 PM loaned to the National Sailing Hall of Fame ("NSHOF") by Lessor under the terms of a Memorandum of Understanding between the State of Maryland, Department of Natural Resources, Lessor and the NSHOF dated November 18, 2005 as amended by Addendum dated October 23, 2006.	
6 7 8	vi.	The Susan Campbell Park Parcel from Tuesday, April 27, 2021 at 6:00 PM through Tuesday, May 4, 2021 at 6:00 PM.	
9 10 11	vii.	PG Street Compound from Monday, April 26, 2021 at 12:01 AM through Tuesday, May 4, 2021 at 5:00 PM.	
12 13		.1(a) of this Lease, as may be needed, shall be attached to this Lease as Exhibit B upon	
14 15	execution	and completion. Such attachment may occur after full execution of this Lease.	
16	(c) "Show")		
17 18	"Show").		
19	(d) Lessee shall hold the Show on the Premises only during the dates and times	
20		above in this Section 1.1 (collectively, the "Initial Term"), and as further described in	
21	Section 1	.2 below.	
22 23	(e) The Premises shall not be open to the public before 10:00 AM or after 6:30 PM	
23 24		e Initial Term or any Renewal Term (as defined below) of this Lease. This time	
25	-	a shall not apply to private events authorized by Lessee.	
26			
27	<u>Se</u>	ection 1.2. Renewal Terms; Extension:	
28	,		
29 30	(8 "Donouvol	a) This Lease may be renewed for five (5) additional one (1) year terms (each a Term" and collectively, "Renewal Terms") on the same terms and conditions, and in	
30 31		we with all of the requirements of this Section 1.2. In the event any renewal materially	
32		he terms and conditions set forth herein, the approval of Lessor's City Council may be	
33	required.	the terms and conditions set for a nereni, the approval of Lesson's city council may be	
34	1		
35	(t	b) On April 15, 2017, this Lease shall automatically be renewed for one (1)	
36		calendar year of the Show, as further specified below, provided that: Lessee shall not	
37	be in default under Article XIX of this Lease; there shall be no Force Majeure Event that		
38	prevents Lessee's use of the Premises, as further described in Article XII of this Lease; and there		
39	shall be no material change in the economic stability and sustainability of the power and/or sailing		
40	boating in	dustry. The Premises for this first Renewal Term shall consist of:	
41 42	i.	Water parcel from Charter Dock channel-ward into the Spa Creek moorings and the	
42 43	1.	Susan Campbell Park from Monday, April 25, 2022 at 12:01 AM through Tuesday,	
43 44		May 3, 2022 at 5:00 PM.	
45			

- ii. Ego Alley Parcel, but expressly excluding the CMT Parcel, from Monday, April 25, 2022 at 5:00 PM through Monday, May 2, 2022 at 8:00 PM.
 - iii. Donner Parking Lot Parcel from Tuesday, April 26, 2022 at 7:00 AM through Tuesday, May 3, 2022 at 5:00 PM.
- iv. (Optional) Newman Lot Parcel from Tuesday, April 26, 2022 at 7:00 AM through Tuesday, May 3, 2022 at 5:00 PM. Lessee's use of the Newman Lot shall be contingent on 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 for use of this space. A copy of such letter of permission or separate agreement shall be provided to Lessor.
- v. The State Dock Parcel (or the North Bulkhead City Dock Parcel) adjacent to Susan
 Campbell Park, from Tuesday, April 26, 2022 at 5:00 PM through Tuesday, May 3,
 2022 at 5:00 PM loaned to the National Sailing Hall of Fame ("NSHOF") by Lessor
 under the terms of a Memorandum of Understanding between the State of Maryland,
 Department of Natural Resources, Lessor and the NSHOF dated November 18, 2005
 as amended by Addendum dated October 23, 2006.
 - vi. The Susan Campbell Park Parcel from Tuesday, April 26, 2022 at 6:00 PM through Tuesday, May 3, 2022 at 6:00 PM.
 - vii. PG Street Compound from Monday, April 25, 2022 at 12:01 AM through Tuesday, May 3, 2022 at 5:00 PM.
- 25 26

34

38

41

44

24

20

21

22 23

1 2

3 4

5 6

13

(c) On December 15, 2017, this Lease shall automatically be renewed for one (1)
additional calendar year of the Show, as further specified below, provided that: the Lease was
previously renewed for the 2022 calendar year; Lessee shall not be in default under Article XIX
of this Lease; there shall be no Force Majeure Event that prevents Lessee's use of the Premises,
as further described in Article XII of this Lease; and there shall be no material change in the
economic stability and sustainability of the power and/or sailing boating industry. The Premises for
this second Renewal Term shall consist of:

- i. Water parcel from Charter Dock channel-ward into the Spa Creek moorings and the
 Susan Campbell Park from Monday, April 24, 2023 at 12:01 AM through Tuesday,
 May 2, 2023 at 5:00 PM.
- ii. Ego Alley Parcel, but expressly excluding the CMT Parcel, from Monday, April 24,
 2023 at 5:00 PM through Monday, May 1, 2023 at 8:00 PM.
- 42 iii. Donner Parking Lot Parcel from Tuesday, April 25, 2023 at 7:00 AM through
 43 Tuesday, May 2, 2023 at 5:00 PM.
- 45 iv. (Optional) Newman Lot Parcel from Tuesday, April 25, 2023 at 7:00 AM through
 46 Tuesday, May 2, 2023 at 5:00 PM. Lessee's use of the Newman Lot shall be

1 2 3 4 5		contingent on 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 for use of this space. A copy of such letter of permission or separate agreement shall be provided to Lessor.	
6 7 8 9 10 11	v.	The State Dock Parcel (or the North Bulkhead City Dock Parcel) adjacent to Susan Campbell Park, from Tuesday, April 25, 2023 at 5:00 PM through Tuesday, May 2, 2023 at 5:00 PM loaned to the National Sailing Hall of Fame ("NSHOF") by Lessor under the terms of a Memorandum of Understanding between the State of Maryland, Department of Natural Resources, Lessor and the NSHOF dated November 18, 2005 as amended by Addendum dated October 23, 2006.	
12 13 14 15	vi.	The Susan Campbell Park Parcel from Tuesday, April 25, 2023 at 6:00 PM through Tuesday, May 2, 2023 at 6:00 PM.	
16 17 18	vii.	PG Street Compound from Monday, April 24, 2023 at 12:01 AM through Tuesday, May 2, 2023 at 5:00 PM.	
18 19			
20		calendar year of the Show, as further specified below, provided that: the Lease was	
21	- ·	y renewed for the 2022 and 2023 calendar years; Lessee shall not be in default under	
22		IX of this Lease; there shall be no Force Majeure Event that prevents Lessee's use of	
23		ses, as further described in Article XII of this Lease; and there shall be no material	
24	-	the economic stability and sustainability of the power and/or sailing boating industry. The	
25	Premises	for this third Renewal Term shall consist of:	
26			
27	i.	Water parcel from Charter Dock channel-ward into the Spa Creek moorings and the	
28		Susan Campbell Park from Monday, April 22, 2024 at 12:01 AM through Tuesday,	
29		April 30, 2024 at 5:00 PM.	
30			
31	ii.		
32		Ego Alley Parcel, but expressly excluding the CMT Parcel, from Monday, April 22,	
33		Ego Alley Parcel, but expressly excluding the CMT Parcel, from Monday, April 22, 2024 at 5:00 PM through Monday, April 29, 2024 at 8:00 PM.	
34		2024 at 5:00 PM through Monday, April 29, 2024 at 8:00 PM.	
	iii.	2024 at 5:00 PM through Monday, April 29, 2024 at 8:00 PM. Donner Parking Lot Parcel from Tuesday, April 23, 2024 at 7:00 AM through	
35	iii.	2024 at 5:00 PM through Monday, April 29, 2024 at 8:00 PM.	
36		2024 at 5:00 PM through Monday, April 29, 2024 at 8:00 PM. Donner Parking Lot Parcel from Tuesday, April 23, 2024 at 7:00 AM through Tuesday, April 30, 2024 at 5:00 PM.	
36 37	iii. iv.	 2024 at 5:00 PM through Monday, April 29, 2024 at 8:00 PM. Donner Parking Lot Parcel from Tuesday, April 23, 2024 at 7:00 AM through Tuesday, April 30, 2024 at 5:00 PM. (Optional) Newman Lot Parcel from Tuesday, April 23, 2024 at 7:00 AM through 	
36 37 38		 2024 at 5:00 PM through Monday, April 29, 2024 at 8:00 PM. Donner Parking Lot Parcel from Tuesday, April 23, 2024 at 7:00 AM through Tuesday, April 30, 2024 at 5:00 PM. (Optional) Newman Lot Parcel from Tuesday, April 23, 2024 at 7:00 AM through Tuesday, April 30, 2024 at 5:00 PM. Lessee's use of the Newman Lot shall be 	
36 37 38 39		 2024 at 5:00 PM through Monday, April 29, 2024 at 8:00 PM. Donner Parking Lot Parcel from Tuesday, April 23, 2024 at 7:00 AM through Tuesday, April 30, 2024 at 5:00 PM. (Optional) Newman Lot Parcel from Tuesday, April 23, 2024 at 7:00 AM through Tuesday, April 30, 2024 at 5:00 PM. Lessee's use of the Newman Lot shall be contingent on Lessee obtaining a signed letter of permission from or a separate 	
36 37 38 39 40		 2024 at 5:00 PM through Monday, April 29, 2024 at 8:00 PM. Donner Parking Lot Parcel from Tuesday, April 23, 2024 at 7:00 AM through Tuesday, April 30, 2024 at 5:00 PM. (Optional) Newman Lot Parcel from Tuesday, April 23, 2024 at 7:00 AM through Tuesday, April 30, 2024 at 5:00 PM. Lessee's use of the Newman Lot shall be contingent on Lessee obtaining a signed letter of permission from or a separate agreement with the owners of this Parcel (110 Compromise Street), including the 	
36 37 38 39 40 41		 2024 at 5:00 PM through Monday, April 29, 2024 at 8:00 PM. Donner Parking Lot Parcel from Tuesday, April 23, 2024 at 7:00 AM through Tuesday, April 30, 2024 at 5:00 PM. (Optional) Newman Lot Parcel from Tuesday, April 23, 2024 at 7:00 AM through Tuesday, April 30, 2024 at 5:00 PM. Lessee's use of the Newman Lot shall be contingent on 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 for use of this space. A copy of such letter of 	
36 37 38 39 40 41 42		 2024 at 5:00 PM through Monday, April 29, 2024 at 8:00 PM. Donner Parking Lot Parcel from Tuesday, April 23, 2024 at 7:00 AM through Tuesday, April 30, 2024 at 5:00 PM. (Optional) Newman Lot Parcel from Tuesday, April 23, 2024 at 7:00 AM through Tuesday, April 30, 2024 at 5:00 PM. Lessee's use of the Newman Lot shall be contingent on Lessee obtaining a signed letter of permission from or a separate agreement with the owners of this Parcel (110 Compromise Street), including the 	
36 37 38 39 40 41 42 43	iv.	 2024 at 5:00 PM through Monday, April 29, 2024 at 8:00 PM. Donner Parking Lot Parcel from Tuesday, April 23, 2024 at 7:00 AM through Tuesday, April 30, 2024 at 5:00 PM. (Optional) Newman Lot Parcel from Tuesday, April 23, 2024 at 7:00 AM through Tuesday, April 30, 2024 at 5:00 PM. Lessee's use of the Newman Lot shall be contingent on 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 for use of this space. A copy of such letter of permission or separate agreement shall be provided to Lessor. 	
36 37 38 39 40 41 42 43 44		 2024 at 5:00 PM through Monday, April 29, 2024 at 8:00 PM. Donner Parking Lot Parcel from Tuesday, April 23, 2024 at 7:00 AM through Tuesday, April 30, 2024 at 5:00 PM. (Optional) Newman Lot Parcel from Tuesday, April 23, 2024 at 7:00 AM through Tuesday, April 30, 2024 at 5:00 PM. Lessee's use of the Newman Lot shall be contingent on 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 for use of this space. A copy of such letter of permission or separate agreement shall be provided to Lessor. The State Dock Parcel (or the North Bulkhead City Dock Parcel) adjacent to Susan 	
36 37 38 39 40 41 42 43	iv.	 2024 at 5:00 PM through Monday, April 29, 2024 at 8:00 PM. Donner Parking Lot Parcel from Tuesday, April 23, 2024 at 7:00 AM through Tuesday, April 30, 2024 at 5:00 PM. (Optional) Newman Lot Parcel from Tuesday, April 23, 2024 at 7:00 AM through Tuesday, April 30, 2024 at 5:00 PM. Lessee's use of the Newman Lot shall be contingent on 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 for use of this space. A copy of such letter of permission or separate agreement shall be provided to Lessor. 	

under the terms of a Memorandum of Understanding between the State of Maryland, 1 2 Department of Natural Resources, Lessor and the NSHOF dated November 18, 2005 as amended by Addendum dated October 23, 2006. 3 4 The Susan Campbell Park Parcel from Tuesday, April 23, 2024 at 6:00 PM through vi. 5 Tuesday, April 30, 2024 at 6:00 PM. 6 7 8 vii. PG Street Compound from Monday, April 22, 2024 at 12:01 AM through Tuesday, April 30, 2024 at 5:00 PM. 9 10 On December 15, 2019, this Lease shall automatically be renewed for one (1) 11 (e) additional calendar year of the Show, as further specified below, provided that: the Lease was 12 previously renewed for the 2022, 2023 and 2024 calendar years; Lessee shall not be in default 13 under Article XIX of this Lease; there shall be no Force Majeure Event that prevents Lessee's 14 use of the Premises, as further described in Article XII of this Lease; and there shall be no 15 material change in the economic stability and sustainability of the power and/or sailing boating 16 industry. The Premises for this fourth Renewal Term shall consist of: 17 18 i. 19 Water parcel from Charter Dock channel-ward into the Spa Creek moorings and the Susan Campbell Park from Monday, April 21, 2025 at 12:01 AM through Tuesday, 20 April 29, 2025 at 5:00 PM. 21 22 ii. Ego Alley Parcel, but expressly excluding the CMT Parcel, from Monday, April 21, 23 2025 at 5:00 PM through Monday, April 28, 2025 at 8:00 PM. 24 25 26 iii. Donner Parking Lot Parcel from Tuesday, April 22, 2025 at 7:00 AM through Tuesday, April 29, 2025 at 5:00 PM. 27 28 29 iv. (Optional) Newman Lot Parcel from Tuesday, April 22, 2025 at 7:00 AM through Tuesday, April 29, 2025 at 5:00 PM. Lessee's use of the Newman Lot shall be 30 contingent on Lessee obtaining a signed letter of permission from or a separate 31 agreement with the owners of this Parcel (110 Compromise Street), including the 32 adjacent boardwalk and dock for use of this space. A copy of such letter of 33 permission or separate agreement shall be provided to Lessor. 34 35 The State Dock Parcel (or the North Bulkhead City Dock Parcel) adjacent to Susan 36 v. Campbell Park, from Tuesday, April 22, 2025 at 5:00 PM through Tuesday, April 29, 37 2025 at 5:00 PM loaned to the National Sailing Hall of Fame ("NSHOF") by Lessor 38 under the terms of a Memorandum of Understanding between the State of Maryland, 39 Department of Natural Resources, Lessor and the NSHOF dated November 18, 2005 40 as amended by Addendum dated October 23, 2006. 41 42 The Susan Campbell Park Parcel from Tuesday, April 22, 2025 at 6:00 PM through 43 vi. Tuesday, April 29, 2025 at 6:00 PM. 44 45

1 2 3 vii. PG Street Compound from Monday, April 21, 2025 at 12:01 AM through Tuesday, April 29, 2025 at 5:00 PM.

4 (f) On December 15, 2020, this Lease shall automatically be renewed for one (1) additional calendar year of the Show, as further specified below, provided that: the Lease was 5 previously renewed for the 2022, 2023, 2024 and 2025 calendar years; Lessee shall not be in 6 7 default under Article XIX of this Lease; there shall be no Force Majeure Event that prevents 8 Lessee's use of the Premises, as further described in Article XII of this Lease; and there shall be 9 no material change in the economic stability and sustainability of the power and/or sailing boating 10 industry. The Premises for this fifth Renewal Term shall consist of:

11 12

13

14 15

16

17 18

21

28

35

36

37 38

- Water parcel from Charter Dock channel-ward into the Spa Creek moorings and the i. Susan Campbell Park from Monday, April 20, 2026 at 12:01 AM through Tuesday, April 28, 2026 at 5:00 PM.
- ii. Ego Alley Parcel, but expressly excluding the CMT Parcel, from Monday, April 20, 2026 at 5:00 PM through Monday, April 27, 2026 at 8:00 PM.
- Donner Parking Lot Parcel from Tuesday, April 21, 2026 at 7:00 AM through iii. 19 Tuesday, April 28, 2026 at 5:00 PM. 20
- (Optional) Newman Lot Parcel from Tuesday, April 21, 2026 at 7:00 AM through 22 iv. Tuesday, April 28, 2026 at 5:00 PM. Lessee's use of the Newman Lot shall be 23 contingent on Lessee obtaining a signed letter of permission from or a separate 24 agreement with the owners of this Parcel (110 Compromise Street), including the 25 26 adjacent boardwalk and dock for use of this space. A copy of such letter of permission or separate agreement shall be provided to Lessor. 27
- 29 The State Dock Parcel (or the North Bulkhead City Dock Parcel) adjacent to Susan v. Campbell Park, from Tuesday, April 21, 2026 at 5:00 PM through Tuesday, April 28, 30 2026 at 5:00 PM loaned to the National Sailing Hall of Fame ("NSHOF") by Lessor 31 under the terms of a Memorandum of Understanding between the State of Maryland, 32 Department of Natural Resources, Lessor and the NSHOF dated November 18, 2005 33 as amended by Addendum dated October 23, 2006. 34
 - vi. The Susan Campbell Park Parcel from Tuesday, April 21, 2026 at 6:00 PM through Tuesday, April 28, 2026 at 6:00 PM.
- PG Street Compound from Monday, April 20, 2026 at 12:01 AM through Tuesday, 39 vii. April 28, 2026 at 5:00 PM. 40
- 41 42 (g)
- If the requirements of this Section 1.2 shall not be met for any of the Renewal Terms, as further specified in Sections 1.2 (b)-(f), then this Lease shall automatically terminate at 43 the end of the then-current term. 44
- 45

1 This Lease may be extended on the same terms and conditions, and in accordance (h) 2 with this subparagraph, only provided that (1) the Lessee shall not be in default under Article XIX of this Lease and (2) there shall be no Force Majeure Event that prevents Lessee's use of the 3 4 Premises, as further described in Article XII of this Lease (the "Extension Requirements"). If such Extension Requirements are met, then Lessee shall have the right, upon written notice to 5 Lessor at least ninety (90) calendar days prior to December 15, 2021, to elect to extend this 6 7 Lease for one (1) additional four (4) year period for the years 2027 through 2030 (the "Extension 8 Period"), and the dates for any additional Shows shall be specified in an amendment to this Lease. The Extension Period shall consist of four (4) individual one (1) Renewal Terms, which 9 Renewal Terms shall renew on December 15, 2021 for the 2027 Show, on December 15, 2022 10 for the 2028 Show, on December 15, 2023 for the 2029 Show, and on December 15, 2024 for the 11 2030 Show. These Renewal Terms shall be treated in the same manner and with the same 12 obligations as those Renewal Terms specified in Section 1.2 above. Any extension shall be 13 documented in writing and signed by the authorized representatives of each of the parties hereto, 14 but shall not be required to go to Lessor's City Council unless there are material changes to any 15 other terms and conditions set forth herein. 16

17 18

19

Section 1.3. Rent:

Except as may be adjusted by Sections 1.5 and/or 2.4 of this Lease, the "Rent" for 20 (a) the Initial Term shall be the greater of either: (i) fifty percent (50%) of Lessee's gross receipts 21 (after deduction of admission taxes) from Lessee's sale of tickets for admission to the Show 22 (collectively, the "Ticket Sales") during the Initial Term of this Lease or, (ii) the sum calculated 23 by increasing Fifteen Thousand Nine Hundred Fifty-Three Dollars and No Cents (\$15,953.00) by 24 fifty percent (50%) of the amount of the Consumer Price Index increase over the twelve (12) 25 months preceding the Initial Term (the "Minimum Payment"). "Consumer Price Index" as used 26 in this Lease shall mean "United States City Average All Items for All Urban Consumers (CPI-27 U, 1982-84=100)" published by the Bureau of Labor Statistics of the U.S. Department of Labor. 28 29 If the publication of the Consumer Price Index of the U.S. Bureau of Labor Statistics is discontinued, comparable statistics on the purchasing power of the consumer dollar published by 30 a responsible financial periodical selected by Lessor shall be used for making such computations. 31 32

- 33 (b) The Rent for each Renewal Term shall be the greater of either: (i) fifty percent 34 (50%) of the Ticket Sales during the applicable Renewal Term of this Lease or, (ii) the amount 35 of the Minimum Payment for the immediately prior term of this Lease increased by fifty percent 36 (50%) of the amount of the Consumer Price Index increase over the twelve (12) months 37 preceding each respective Renewal Term ("Renewal Minimum Payment"). Notwithstanding the 38 foregoing, the maximum amount that the Renewal Minimum Payment shall increase during the 39 Initial Term and all Renewal Terms under this Lease shall be ten percent (10%).
- 40

(c) Lessee shall pay Lessor the applicable Rent, in full, within thirty (30) calendar days of the close of the Show for the then-current term. If the Rent is based on the Ticket Sales, rather than the Minimum Payment or the Renewal Minimum Payment, then the Rent shall be paid to Lessor simultaneously with Lessee's payment of its State of Maryland admissions tax. Lessee shall also submit a copy of its Maryland State Admissions and Amusement tax report/return and such other proof of gross receipts from the Ticket Sales as may be reasonably requested by Lessor's Director of Finance to: Director Department of Finance at 160 Duke of
Gloucester Street, Annapolis, Maryland 21401. Copies of such payment and proof of gross
receipts shall be provided to Lessor's Harbormaster at 1 Dock Street, Annapolis, Maryland
21401.

5 6

7

13

Section 1.4. City Fees:

8 (a) In addition to the Rent, Lessee shall reimburse Lessor the sum of Four Thousand 9 Dollars and No Cents (\$4,000.00) for the costs incurred by Lessor as a result of Lessee's use of 10 the Premises during the Initial Term, including, but not limited to, utilities, inspections, parking 11 and transportation, facilities and services, trash and recycling services, police services, fire 12 services, and other safety services (collectively, the "City Fees").

(b) The City Fees for each Renewal Term shall be the amount of the City Fees paid
for the immediately prior term of this Lease increased by fifty percent (50%) of the amount of
the Consumer Price Index increase over the twelve (12) months preceding each respective
Renewal Term. Notwithstanding the foregoing, the maximum amount that the City Fees shall
increase during the Initial Term and all Renewal Terms under this Lease shall be ten percent
(10%).

(c) Lessee shall pay Lessor the applicable City Fees, in full, at the same time Lessee
 pays the corresponding Rent.

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

27

23

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

34

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

40 (g) *Trash and Recycling:* In exchange for the City Fees, Lessor shall provide an 41 adequate number of trash and recycling dumpsters outside the Premises for the use by Lessee 42 during the Initial Term and any Renewal Term of this Lease, and Lessor shall also provide for 43 the prompt removal of all trash, refuse and recycling materials deposited into these dumpsters 44 during the Show. Lessee, at its sole expense, shall provide an adequate and equal number of trash 45 and recycling containers for its use within the Premises during the Initial Term and any Renewal 46 Term of this Lease, shall regularly empty such containers into Lessor-provided dumpsters, and shall also provide for the prompt removal of all such containers from the Premises after theShow.

3 4

5

13

Section 1.5. Revisions to the Premises:

6 (a) Lessor shall have the right to decrease the area of the Premises in order to reflect 7 any change in ownership or infrastructure, provided written notice is furnished to Lessee on or 8 before the April 1st immediately preceding the Show for the Initial Term and/or any Renewal 9 Term. In the event the total Premises area (measured in square feet) is reduced by any action of 10 Lessor under this Section 1.5, the Rent due and payable shall be reduced in direct proportion to 11 the reduction in total Premises area. Lessee shall present documentation including measurements 12 and calculations to support any claim of reduced Premises.

Lessee shall have the right to request to decrease the area of the Premises in order 14 (b) to reflect any change in the Show, provided a written request is furnished to Lessor on or before 15 the April 1st immediately preceding the Show for the Initial Term and/or any Renewal Term. 16 Any such change shall be subject to Lessor's written approval, which approval shall not be 17 unreasonably withheld. If such a decrease is approved by Lessor, Lessee shall be entitled to a pro 18 rata reduction in the Rent, but only if the Rent is based on the Minimum Payment or the Renewal 19 Minimum Payment. Lessee shall not be entitled to a reduction in the percentage of Ticket Sales 20 due to Lessor if the Rent is based on such Ticket Sales. 21 22

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

ARTICLE II

28 <u>Section 2.1. Finalizing Initial Term and Renewal Terms:</u> The parties hereby agree that 29 the dates and times specified in Sections 1.1 and 1.2 for the Initial Term and the Renewal Terms 30 are tentative dates based upon current knowledge and calendars, and the parties hereby further 31 agree that they shall meet no later than April 1st of each year to finalize and confirm such dates 32 for the Initial Term and each Renewal Term. Any changes shall be memorialized in a written 33 amendment to this Lease.

34

25 26

27

Section 2.2. Number of Days: Lessor grants to Lessee the right to add one (1) day at the
 end of the Show for general public admission. Lessee shall also have the right, in its sole
 discretion, to reduce the number of days of the Show. Lessee shall provide written notice of such
 intention no later than thirty (30) calendar days before the opening of the Show for the Initial
 Term and for each Renewal Term.

40

Section 2.3. Other Boat Shows: Excluding any lease to United States Sailboat Shows, Inc. or United States Powerboat Show, Inc., Lessor shall not lease the Premises for the purpose of holding boat shows on the Premises from April 1st through November 1st during the Initial Term or any applicable Renewal Term. Lessee may, within its sole discretion, provide written authority to waive this restriction. This restriction shall be deemed to be automatically waived by Lessee as to any Show reduced to less than one (1) ten (10) hour day pursuant to Section 2.1. <u>Section 2.4. Adjustment to Rent:</u> The Rent, but only if based on the Minimum Payment
 or the Renewal Minimum Payment, and the City Fees shall be increased or reduced
 proportionately if Lessee exercises its rights to extend or shorten the number of Show days
 pursuant to Section 2.1. All of the other provisions of the Lease shall remain in full force and
 effect.

ARTICLE III

Section 3.1. Use of the Premises:

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

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

18 (c) Lessee shall be prohibited from selling alcoholic beverages on the Premises
19 during the Show.
20

(d) Lessee shall submit to Lessor an initial diagram of its proposed use of the Premises at least thirty (30) calendar days before the opening of the Show for the Initial Term and for each Renewal Term, and shall continue to submit updates of such diagram (as needed) up to the date of the opening of that first Show. Lessee shall obtain final Lessor approval of the final (updated) diagram prior to opening of that first Show, which approval shall not unreasonably be withheld or delayed.

27

1

7 8

9 10

11

Section 3.2. Pre-Show Meetings and Inspection: At no additional cost to Lessee and 28 29 prior to the opening of each Show, representatives of Lessor's Department of Neighborhood and Environmental Programs, Police Department, Fire Department, Office of Emergency 30 Management, Harbormaster, and Department of Public Works shall inspect the Premises and 31 32 nearby areas with Lessee's representative(s) to determine compliance with Lessor requirements, and for determination of the condition of the Premises. Written approval by representatives of 33 these Lessor departments shall be required before Lessee may open any Show. The opening of 34 any Show shall not be delayed by any Lessor department whose representative is not present for 35 this pre-inspection. Lessor shall not refuse permission to open any Show or any part of the Show 36 under this Section unless a threat to health or safety has been identified. Lessor shall make every 37 effort to limit that part of the Show not opened in the event of such threat, and to allow Lessee to 38 open the closed portion of the Show as soon as the threat is abated to Lessor's satisfaction. 39

40

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

ARTICLE IV

<u>Section 4.1.</u> Insurance: Lessee, at its sole expense, shall obtain and keep in full force and effect comprehensive commercial general liability insurance of no less than Two Million Dollars (\$2,000,000.00) combined single limit, bodily injury and property damage, and Eight Million Dollars (\$8,000,000.00) umbrella policy, which shall be effective during the Lease's Initial Term, all applicable Renewal Terms, and the entire period of time during which Lessee shall use or occupy the Premises or any part of the Premises.

17

7 8 9

10

Section 4.2. Additional Insured: The insurance policy or policies shall specifically name 18 the "City of Annapolis, its elected officials, appointees, directors, employees, agents, contractors 19 and representatives" as additional insureds, and insure against any and all loss, costs, damages, 20 and expenses suffered by any person or to any property, including property owned by Lessor, 21 due to or alleged to be due to an act, omission or the negligence of Lessee, its officers, agents, 22 23 employees, vendors, subtenants or contractors, directly or indirectly, in connection with this Lease or the use of the Premises or any part of the Premises by Lessee, its officers, agents, 24 employees, vendors, subtenants or contractors. 25

26

27 Section 4.3. Insurer: Lessee's insurer or insurers shall be authorized to write the required insurance, approved by the Insurance Commissioner of the State of Maryland, and 28 29 subject to the approval of Lessor's City Attorney. The form and substance of Lessee's insurance policy or policies shall also be subject to reasonable approval by Lessor's City Attorney, and 30 shall be submitted to the City Attorney at 160 Duke of Gloucester Street, Annapolis, Maryland 31 21401, with a copy to Lessor's Harbormaster at 1 Dock Street, Annapolis, Maryland 21401, for 32 such approval not less than thirty (30) calendar days prior to Lessee's occupancy of the Premises. 33 The policy or policies of insurance shall then be secured by Lessee and filed with the City 34 Attorney not less than fifteen (15) calendar days prior to Lessee's occupancy of the Premises. No 35 approvals pursuant to this Section 4.3 shall be unreasonably withheld or delayed. 36

37

38 <u>Section 4.4. Notice:</u> The certificate for each insurance policy or policies shall contain a 39 statement on its face that the insurer will not cancel the policy or fail to renew the policy, 40 whether for nonpayment of premium, or otherwise, whether at the request of Lessee or for any 41 other reason, except after thirty (30) calendar days advance written notice mailed by the insurer 42 or Lessee to Lessor's City Attorney, and that such notice shall be transmitted postage prepaid, 43 return receipt requested.

44

45 <u>Section 4.5. Lessee's Obligations:</u> The obligations of Lessee under this Article are part
 46 of but do not limit or satisfy Lessee's obligations under the remainder of this Lease.

ARTICLE V

4 Section 5.1. Indemnity: Lessee shall forever indemnify, defend and hold harmless Lessor, its elected officials, appointees, directors, employees, agents, contractors and 5 representatives, from and against any and all claims, suits, actions, judgments, and liability for 6 7 loss, injury, damages and/or expenses suffered or alleged to have been suffered during the 8 Lease's Initial Term or any Renewal Term by any person or to any property due to or alleged to be due to an act, omission or the negligence of Lessee, its officers, agents, employees, vendors, 9 subtenants or contractors, directly or indirectly, in connection with this Lease or the use and 10 occupancy of the Premises or any part of the Premises, by Lessee, its officers, agents, employees, 11 vendors, subtenants or contractors. 12

Section 5.2. Reimbursement: Lessee shall reimburse Lessor, within thirty (30) calendar 14 days after demand for such reimbursement, for any damage done to Lessor's buildings, facilities, 15 equipment or property caused by an act, omission or the negligence of Lessee, its officers, 16 agents, employees, vendors, subtenants or contractors, during the Lease's Initial Term, any 17 Renewal Term, or Lessee's use and occupancy of the Premises or any part of the Premises. 18 Lessee may request Lessor to provide reasonably sufficient documentation or other proof of such 19 damage prior to any reimbursement. If Lessee disputes any request for reimbursement, it may 20 appeal such request to the City Manager and/or his/her authorized designee for review and 21 reconsideration. 22

23

13

1 2

3

24 25

30 31

32

ARTICLE VI

Section 6.1. Security: Lessee shall contract with and pay, as independent contractors,
 security guards from an agency duly licensed by the State of Maryland, in numbers sufficient to
 maintain security, peace and order at the Show inside the Premises during the entirety of the
 Lease's Initial Term and all applicable Renewal Terms.

ARTICLE VII

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

40

41 Section 7.2. Exterior Construction: Wherever necessary to provide for pedestrian traffic, 42 Lessee shall erect and construct temporary wooden sidewalks outside of the Premises where the 43 existing sidewalks are enclosed in the Premises by a temporary fence described in Section 7.1. 44 All temporary sidewalks shall be handicap accessible and illuminated during hours of darkness, 45 and maintained by Lessee in a safe and secure condition.

46

Section 7.3. ADA and Other Permits: Lessee hereby assumes exclusive responsibility 1 2 for compliance with any and all applicable provisions of the Americans with Disabilities Act of 1990 (ADA), as amended from time to time, at the Premises, during the entire time that Lessee 3 4 uses or occupies the Premises or any part of the Premises. Subject to the inspection provisions of Section 3.2 of this Lease, and to standard public safety and health approvals, any and all permits, 5 licenses or authorizations required to be obtained from Lessor by Lessee during the Initial Term 6 7 or any Renewal Term of this Lease for the purpose of constructing or erecting the temporary 8 structures described in this Article VII and for operating the Show, shall be deemed granted and 9 issued upon the execution of this Lease by Lessor and Lessee. All other federal, state or county 10 permits, which may be required, shall be the sole responsibility and expense of Lessee. 11

ARTICLE VIII

<u>Section 8.1. Cleanliness:</u> Lessee shall be responsible for keeping the Premises free of
 debris, trash and refuse, which shall be placed in the containers and the dumpsters specified in
 Section 1.4(g).

18 <u>Section 8.2. Sanitation and Toilets:</u> Lessee shall, at its sole expense, provide adequate 19 and sanitary toilet facilities throughout the Premises for use by the general public and others 20 attending or participating in the Show, including sufficient ADA compliant sanitary toilet 21 facilities.

23 <u>Section 8.3. Trash, Recycling and Public Safety Cooperation:</u> The parties shall 24 cooperate with each other and use their best efforts to ensure that there is prompt trash and 25 recycling removal, public safety protection, and adequate traffic control during the designated 26 period of use and occupancy by Lessee of the Premises.

ARTICLE IX

30 <u>Section.9.1. Quiet Enjoyment:</u> Lessor covenants with Lessee that at all times during the 31 Initial Term and any Renewal Term of this Lease, Lessee shall peacefully hold and quietly enjoy 32 the use and occupancy of the Premises without any disturbance or hindrance from Lessor or from 33 any other person claiming through Lessor, except that Lessor or others claiming through Lessor 34 may enter onto the Premises to effect necessary repairs to their own facilities as reasonably 35 contemplated by the terms of this Lease, and to assure compliance with the terms of this Lease 36 and all applicable laws. Lessee shall cooperate with Lessor to effect this access to the Premises.

37 38 39

43

12 13

17

22

27

28 29

ARTICLE X

40 <u>Section 10.1. Condition of Premises after Show:</u> Upon the expiration or earlier 41 termination of this Lease, Lessee, at its sole expense, shall return the Premises to Lessor in the 42 same or superior condition than received, natural wear and tear excepted.

44 <u>Section 10.2. Lessee's Equipment after Show:</u> Prior to the expiration or earlier 45 termination of this Lease, Lessee shall immediately remove all of its property, fixtures and 46 chattels from the Premises. In the event that Lessee, its officers, agents, employees, vendors, subtenants or contractors fail to remove any item of property, Lessor reserves the right to remove and store any such property after the expiration or earlier termination of this Lease at Lessee's sole expense, or as an alternative, to leave the property at the Premises. In either case, Lessor shall charge Lessee a per diem rental for storage of such property. Lessor shall bear no responsibility or liability for damage to or expense incurred as a result of property left, removed or stored under the provisions of this Section. Lessee shall pay to Lessor any expenses or charges due pursuant to this Section within thirty (30) calendar days after receipt of a bill from Lessor.

8

9 Section 10.3. Post-Show Inspection: Within ten (10) calendar days following the 10 expiration or earlier termination of this Lease, Lessee shall accompany Lessor on a tour of the Premises to determine the condition of the Premises. Items corrected or repaired by Lessor, and 11 deemed by Lessor to be the sole responsibility of Lessee, shall be billed by Lessor and paid by 12 Lessee within thirty (30) calendar days after receipt of such bill. Lessee may request Lessor to 13 provide reasonably sufficient documentation or other proof of such items corrected or repaired 14 by Lessor prior to any payment. If Lessee disputes any bill for an item corrected or repaired by 15 Lessor, it may appeal such bill to the City Manager and/or his/her authorized designee for review 16 and reconsideration. 17

18

Section 10.4. Reports: Within thirty (30) calendar days after the end of each Show 19 throughout the Initial Term and any Renewal Term of this Lease, Lessee shall provide to Lessee's 20 Mayor and the City Council, c/o the City Attorney, 160 Duke of Gloucester Street, Annapolis, MD 21 21401, a written report detailing Lessee's general success of the applicable Show; any changes or 22 improvements to the Show or the Premises; details on the applicable Ticket Sales; and addressing 23 any Lessor concerns related to this Lease (each an "Report" and collectively the "Reports"). If 24 requested by Lessor, Lessee shall present such Reports at a City Council meeting or work 25 26 session.

27 28

29

ARTICLE XI

Section 11.1. Remedies: All duties, liabilities and/or obligations imposed upon or 30 assumed by Lessee or Lessor by or under this Lease shall be taken or construed as cumulative, 31 and the mention of any specified duty, liability or obligation imposed upon or assumed by Lessee 32 or Lessor under this Lease shall not be taken or construed as a limitation or restriction upon any 33 or all of the other duties, liabilities, or obligations imposed upon or assumed by Lessee or Lessor 34 under this Lease. The remedies provided for in this Lease shall be construed to be cumulative 35 and in addition to any other remedies provided in law or equity which Lessor or Lessee would 36 have in any case. In no case shall a waiver by either party of the right to seek relief under this 37 provision constitute a waiver of any other or further violation. The remedies provided in this 38 Lease shall not be deemed exclusive of other remedies not specified. 39

40

41 <u>Section 11.2. Injunction:</u> Lessor shall have the right to seek and obtain in any court of 42 competent jurisdiction an injunction, without the necessity of posting a bond, to restrain a 43 violation or alleged violation by Lessee of any term of this Lease, anything to the contrary 44 notwithstanding.

- 45
- 46

ARTICLE XII

1 2 3

Section 12.1. Impossibility of Performance:

4 (a) Notwithstanding any other terms or provisions of this Lease, in the event Lessor is temporarily or permanently prevented, restricted or delayed in the performance of any or all of 5 the duties and obligations imposed upon or assumed by it hereunder, by act of the General 6 Assembly of Maryland or the City Council of Annapolis, by a court of competent jurisdiction, by 7 8 administrative delay not due to the fault of Lessor (and its members and agents), or by an 9 unforeseen event, not due to the fault of Lessor (and its members and agents), including but not limited to unforeseeable causes beyond its control, such as , strikes, fire, storm, sea level rise, or 10 other casualty, acts of God, or force majeure event (each, a "Force Majeure Event"),or other 11 unforeseen occurrences which render impossible or not economically feasible the fulfillment of 12 this Lease, then Lessor shall not be liable directly or indirectly for any claims caused to or 13 suffered by Lessee or any other person in connection with or as a result of such prevention, 14 restriction or delay, and Lessee shall not be liable for the payment of Rent for the applicable term 15 of the Lease. 16

17

18 (b) Lessee shall not be responsible for delays in the performance of any or all of the 19 duties and obligations imposed upon or assumed by it hereunder caused solely by unforeseeable 20 causes beyond its control or the control of its subcontractors or suppliers of materials, such as a 21 Force Majeure Event or other unforeseen occurrences.

22

(c) If such prevention, restriction or delay pursuant to Section 12.1(a) or 12.1(b)
relates to not more than five percent (5%) of the applicable Initial Term or Renewal Term of the
Lease, the Show shall still be held and the Rent (only if based on the Minimum Payment or
Renewal Minimum Rent) shall be prorated to account for the number of scheduled hours the
Show is not open to the public.

28

29 (d) In case of any loss of or damage to the Premises as the result a Force Majeure Event, Lessor in its sole and absolute discretion may determine whether or not, and to what extent, to repair 30 or restore any of the Premises. If Lessor decides to repair or restore, and any portion of the Premises 31 32 remains suitable for Lessee's use, then Lessee shall be entitled to utilize that portion of the Premises. If Lessor decides not to repair and restore the Premises, then Lessee may in its discretion 33 elect to remain on the Premises under the provisions of this Lease or to terminate this Lease, it being 34 Lessee's sole responsibility to restore and/or repair such portions of the Premises as it may elect to 35 undertake. If any portion of the Premises is rendered unusable during the Term as a result of a 36 Force Majeure Event, the Rent (only if based on the Minimum Payment or Renewal Minimum 37 Rent) due and payable shall be reduced in direct proportion to the area of the Premises rendered 38 unusable. Lessee shall present documentation including measurements and calculations to 39 support any claim of reduced Premises. In addition, Lessee shall be entitled to a credit against 40 Rent for all reasonable and documented costs in performing repairs to the Premises as a result of 41 any such Force Majeure Event. Lessee shall be further entitled to such other adjustments as 42 permitted pursuant to Section 1.5 of this Lease. 43 44

45 (e) Lessor and Lessee shall work cooperatively to determine possible alternatives,
46 solutions and/or remedies to any prevention, restriction, or delay that may occur.

ARTICLE XIII

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

ARTICLE XIV

Finance to confirm that Lessee has fulfilled its obligations under this Lease.

Lessee's Maryland State Admissions and Amusement tax report/return and any additional proof

of gross receipts from the Ticket Sales as may be reasonably requested by Lessor's Director of

Section 13.2. Right to Audit: Lessor shall have to right to receive and review a copy of

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

ARTICLE XV

Section 15.1. Assignment: Lessee shall not assign, transfer, or otherwise dispose of this 25 Lease without the prior written consent of Lessor, but such consent shall not be unreasonably 26 withheld or delayed. A transferee with a minimum of five (5) years experience operating boat 27 shows, expressly including prior experience working past shows on the Premises as part of or in 28 29 connection with the Lessee, and a net worth of at least Two Million Dollars (\$2,000,000.00) shall be deemed approved. The foregoing shall not prevent Lessee from subleasing portions of 30 the Premises to Show exhibitors, provided the portion of the Premises subleased to any exhibitor 31 32 does not exceed twenty-five percent (25%) of the total area of the Premises.

ARTICLE XVI

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

ARTICLE XVII

42 <u>Section 17.1. Liens:</u> Lessee hereby consents that Lessor shall have a lien upon all 43 property of Lessee located from time to time upon the Premises for any and all unpaid charges 44 which arise under this Lease, which lien shall be subordinate to the lien of any mortgagee of 45 Lessee. Lessee hereby consents to and Lessor shall have the power to impound and retain 46 possession of such property until all such charges and late fees due pursuant to this Lease have

2 3 4

9

10

11

12

13 14 15

16

22 23

24

33 34

35

39 40

41

1

been paid, in full, to the satisfaction of Lessor. In the event such charges remain unpaid thirty
(30) calendar days after the expiration or earlier termination of this Lease, Lessor shall have the
power to sell such property at public auction and apply the receipts from such auction to all such
unpaid charges.

ARTICLE XVIII

8 Section 18.1. Compliance with all Laws: Lessee shall comply with all laws, ordinances, 9 and statutes applicable to the Premises or any part of the Premises, and the use and occupancy 10 thereof, and to pay all taxes or charges imposed by law in connection with Lessee's use and 11 occupancy of the Premises. Provided Lessee is making good faith progress towards correcting 12 any violation under this Section, Lessee shall have a reasonable time to correct that violation, not 13 to exceed sixty (60) calendar days.

14 15

5 6

7

15 16

ARTICLE XIX

17 Section 19.1. Termination: In the event Lessee should materially default in performance of its obligations under this Lease, and such default continues for more than thirty (30) calendar 18 days after Lessor has given written notice to Lessee of such default (except that if such default 19 shall not be reasonably curable within thirty (30) calendar days, such thirty (30) calendar day 20 period shall be extended for such time as is reasonably necessary to cure the default provided 21 Lessee commences to cure the default within thirty (30) calendar days and diligently prosecutes 22 the cure until completion), Lessor shall have the right to immediately terminate the Lease and/or 23 to pursue reimbursement from Lessee for any damages to Lessor resulting from Lessee's 24 material default of this Lease. For purposes of this Article XIX, "materially default" and/or 25 "material default" shall mean one (1) or more of the following: 26

27 28

29

30

31 32

33

34 35

36

37 38

39

- (a) If any representation or warranty, expressed or implied, of Lessee and pertaining to this Lease shall prove at any time to be incorrect or misleading in any material respect either on the date when made or throughout the Initial Term and any Renewal Term of this Lease; or
- (b) If Lessee shall fail to comply, fail to fulfill, or otherwise violate any of the terms, conditions, or obligations contained in this Lease; or
- (c) If Lessee shall fail to pay Rent and/or City Fees as required by the terms and conditions of this Lease; or
- (d) If Lessee loses or forfeits its corporate status, or ceases to be in good standing with the State of Maryland.
- 40 41

42 <u>Section 19.2. Other Leases</u>: There are currently in effect leases between Lessor and 43 Lessee for the Premises for boat shows for the years of 2015 through 2020. In the event Lessee 44 should materially default in performance of its obligations in any one (1) of the above years, 45 including failure to pay rent and/or other fees as required by such leases, such material default 46 shall also constitute a material default in the leases for all years subsequent to it, including this

Lease. If the material default continues for more than thirty (30) calendar days after Lessor has
given written notice to Lessee of such material default, Lessor shall have the right to terminate
any of the leases for any one (1) or more of the years remaining in effect, including this Lease.
Otherwise, execution of this Lease shall have no effect on those leases for the years of 2015
through 2020.

ARTICLE XX

9 <u>Section 20.1. Immunities:</u> Nothing in this Lease shall be interpreted or construed to 10 waive, in whole or in part, or to otherwise diminish, Lessor's statutory, common law or other 11 immunities in any action in tort, in contract or in any other form. The parties agree that if any 12 duty assumed by Lessor under the terms of this Lease or any action taken by Lessor pursuant to 13 any such term is construed to waive, in whole or in part, any such immunity, then the immunity 14 shall nevertheless be fully restored, and shall bind and protect the parties as a contractual 15 undertaking.

ARTICLE XXI

19 <u>Section 21.1. Lessee's Representations:</u> Lessee hereby represents and warrants the
 20 following:
 21

(a) Lessee is a corporation(s), duly formed and validly existing under the laws of the
State of Maryland and is qualified to do business and is in good standing in the State of
Maryland.

(b) Lessee has the power and authority to consummate the obligations and
responsibilities contemplated hereby, and has taken all necessary action to authorize the
execution, delivery and performance required under this Lease.

(c) Lessee has obtained and shall continue to maintain, at its sole expense, such
 licenses and certifications as are necessary for the Show and as required pursuant to this Lease,
 and shall present such licenses or certifications to Lessor upon its request.

ARTICLE XXII

36 <u>Section 22.1 Authority:</u> This Lease is authorized by Ordinance O-10-17 adopted by the 37 City Council of the City of Annapolis.

38 39 40

43

6 7

8

16 17

18

25

29

33 34

35

ARTICLE XXIII

41 <u>Section 23.1. Binding effect</u>: the terms of this lease shall be binding on and enforceable 42 against the parties and their respective successors and assigns.

44 <u>Section 23.2. Governing Law:</u> In all actions arising from this Lease, the laws of the 45 State of Maryland shall govern, and the venue for all actions initiated pursuant to this Lease shall

be exclusively the Courts of Anne Arundel County, Maryland. The parties waive jury trial in all
actions initiated pursuant to this Lease.

<u>Section 23.3. Severability:</u> If any of the provisions of this Lease are declared by a court
or other lawful authority to be unenforceable or invalid for any reason, the remaining provisions
hereof shall not be affected thereby and shall remain enforceable to the full extent permitted by
law.

9 <u>Section 23.4. Survival:</u> Those sections in this Lease which by their nature are intended
 10 to survive shall survive the termination of this Lease.

12 <u>Section 23.5. Notice:</u> Any notice required to be delivered shall be sent to the following 13 address and individual or such other address and/or such other individual as a party may identify 14 in writing to the other party:

15		
16	To Lessor:	Director, Recreation & Parks Department
17		273 Hilltop Lane
18		Annapolis, Maryland 21403
19		
20	With a Copy to:	City Attorney
21		160 Duke of Gloucester Street
22		Annapolis, Maryland 21401
23		
24	To Lessee:	Annapolis Boat Shows
25		980 Awald Road, Suite 302
26		Annapolis, Maryland 21403
27		Attn: Paul Jacobs, President
28		
29	With a Copy to:	Thomas J. Mulrenin, Esquire
30		Yumkas, Vidmar, Sweeney & Mulrenin, LLC
31		185 Admiral Cochrane Drive, Suite 130
32		Annapolis, MD 21401
33		

Section 23.6. Entire Agreement: This Lease constitutes the sole and entire agreement of the parties with respect to the subject matter of this Lease, and supersedes all prior and contemporaneous understandings, agreements, representations and warranties, both written and oral, with respect to that subject matter. Neither party has relied on any statement, representation, warranty or agreement of the other party or of any other person on such party's behalf, including any representations, warranties, or agreements arising from statute or otherwise in law, except for the representations, warranties, and agreements expressly contained in this Lease.

41

8

11

42 <u>Section 23.7. No Oral Amendments:</u> No amendment to or rescission, termination, 43 cancellation or discharge of this Lease is effective unless it is in writing, identified as an 44 amendment to or rescission, termination, cancellation or discharge of this Lease and signed by 45 the authorized representatives of each party to this Lease.

46

1	Section 23.8. No Peddlers, Hawk	ters, Itinerant Merchant License: A license for peddlers,	
2	hawkers, and itinerant merchants pursuant to Chapter 7.40 of the Annapolis City Code is not		
3	required to be obtained by Lessee during the Term of this Lease and/or for the purpose of the		
1	Show.		
5			
6		and through its duly authorized agent, has caused this	
7		essee, by and through its duly authorized agent, has duly	
3	executed this Lease on the date first writt	en above. Witness the signatures of the parties.	
)			
) 		LESSEE:	
		Cruisers University, Inc. trading as	
		Annapolis Spring Sailboat Show	
		D	
	TT 7'	By:	
	Witness	Paul Jacobs, President	
		1 Eggo D	
		LESSOR:	
	ATTEST:	City of Annapolis, Maryland	
		_	
		By:	
	Regina C. Watkins-Eldridge, MMC,	Michael J. Pantelides	
	City Clerk	Mayor	
	REVIEWED AND APPROVED BY:		
	Thomas Andrews, City Manager		
	APPROVED FOR FINANCIAL SUFFIC	CIENCY:	
	Bruce T. Miller, Director		
	Finance Department		
	APPROVED FOR FORM AND LEGAL	SUFFICIENCY:	
	City Attorney		

1	
2	
3	EXHIBIT A
4	THE PREMISES
5	

EXHIBIT A SUPPLEMENT

1	
2	EXHIBIT B
3	SEPARATE AGREEMENT(S) / LETTER(S) OF PERMISSION
4	
5	
6	
7	
8	[Attach separate agreement(s) and/or letter(s) of permission,
9	as applicable and as completed].
10	
11	
12	
13	