



Legislation Details (With Text)

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File created: 12/15/2015 **In control:** City Council
On agenda: 2/22/2016 **Final action:** 2/22/2016
Title: Amendment No. 1 to Annapolis Maritime Museum, Inc. Lease Agreement - For the purpose of approving an Amendment No. 1 to the Lease for certain City-owned property to the Annapolis Maritime Museum, Inc.; and matters generally relating to said lease.
Sponsors: Michael J. Pantelides, Sheila Finlayson, Ross Arnett
Indexes: Finance Committee, Rules and City Government Committee
Code sections:
Attachments: 1. O-1-16 Maritime Museum Lease Amendment.pdf, 2. O-1-16 Staff Report.pdf, 3. O-1-16 Fiscal Impact.pdf, 4. O-1-16 SIGNED.pdf

Date	Ver.	Action By	Action	Result
2/22/2016	1	City Council	adopt on second reader	Pass
2/22/2016	1	City Council	adopt on third reader	Pass
2/16/2016	1	Finance Committee	recommend favorably	Pass
2/9/2016	1	Rules & City Government Committee	recommend favorably	Pass
2/8/2016	1	City Council	declare the public hearing closed	
1/11/2016	1	City Council	adopt on first reader	Pass
1/11/2016	1	City Council	refer	
1/11/2016	1	City Council	refer	
1/11/2016	1	City Council		

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

CITY COUNCIL OF THE City of Annapolis

Ordinance 1-16

Introduced by: Mayor Pantelides

Referred to
Finance Committee
Rules and City Government

AN ORDINANCE concerning

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

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

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

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

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

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

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

SECTION I: BE IT ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that the Amendment No. 1 to Lease Agreement, a copy of which is attached hereto and made a part hereof, between the City of Annapolis and the Annapolis Maritime Museum, Inc. for the lease of certain municipal property, is hereby approved and authorized.

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

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

EXPLANATION

CAPITAL LETTERS indicate matter added to existing law.

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

Underlining indicates amendments

**CITY OF ANNAPOLIS AMENDMENT NO. 1
TO LEASE AGREEMENT**

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

its successors and assigns (collectively, the “Lessee”).

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

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

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

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

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

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

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

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

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

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

Lessor: City Attorney
City of Annapolis Office of Law
160 Duke of Gloucester Street
Annapolis, Maryland 21401

Lessee: ANNAPOLIS MARITIME MUSEUM, INC.
Chairman
P.O. Box 3088
Annapolis, Maryland 21403

5. A new Paragraph 26 shall be added to the Lease, as follows:
- a. The Lessor and its employees, representatives, agents, and servants, including any builder or contractor employed by the Lessor, shall have the absolute unconditional right at any and all reasonable times, after not less than forty-eight (48) hours notice to the Lessee (except in the case of an emergency where no such notice is required), to enter the Premises for any of the following purposes: (a) to inspect the Premises; (b) in the case of a safety hazard or other emergency, to make such repairs and/or changes in the Premises as the Lessor may deem necessary, the cost of which the Lessee shall reimburse within thirty (30) calendar days of the Lessor's invoice; (c) to enforce and carry out any provision of this Lease; (d) for any purpose relating to the safety, protection or preservation of the Premises; or (e) for any other purpose related to the enforcement of this Lease.*
- b. The Lessor shall use reasonable efforts to minimize interference to the Lessee's business or use of the Premises when making inspections or when otherwise on the Premises, but the Lessor shall not be required to perform the inspections or otherwise enter the Premises at any time other than during normal working hours.*
6. Furthermore, it is understood and agreed by the parties that the Lessor's annual community grant contribution to the Lessee for the Lessor's fiscal year of 2016 shall be eliminated in and as consideration of the elimination of rent under the Lease.
7. Exhibit A, attached to this Amendment, shall be incorporated into the Lease.
8. All other terms and conditions of the Lease shall remain unchanged and in full force and effect.
9. This Amendment may be executed in any number of counterparts and by the parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument.
10. This Amendment is authorized by Ordinance O-1-16.

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

WITNESS: ANNAPOLIS MARITIME MUSEUM, INC.

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

ATTEST: CITY OF ANNAPOLIS

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

APPROVED FOR FINANCIAL SUFFICIENCY: REVIEWED AND APPROVED BY:

Bruce T. Miller, Director
Finance Department

Thomas C. Andrews, City Manager

APPROVED FOR FORM AND LEGAL SUFFICIENCY:

OFFICE OF THE CITY ATTORNEY