

MUNICIPAL ORDER 21-2018

A MUNICIPAL ORDER AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE A FIRST AMENDED LEASE WITH THE INTERNATIONAL BLUEGRASS MUSIC MUSEUM, INC., AMENDING TERMS RELATING TO A THIRD FLOOR RESTAURANT AND ANNUAL FINANCIAL SUPPORT FROM THE CITY OF OWENSBORO.

WHEREAS, the City of Owensboro (CITY) and International Bluegrass Music Museum, Inc. (MUSEUM) entered into a lease agreement (LEASE), dated as of November 23, 2015, establishing the terms and conditions for the operation of the MUSEUM. A copy of said LEASE is attached hereto and identified as Exhibit "A"; and

WHEREAS, Section 6.15. of the LEASE provided that at the time of opening, MUSEUM would have a fully operational restaurant occupying the third floor of the FACILITY; and

WHEREAS, the Grand Opening of the MUSEUM is scheduled for October 18, 2018 and MUSEUM will be unable to comply with Section 6.15. of the LEASE; and

WHEREAS, Section 8.5. of the LEASE provided that the parties may not effectively amend, change, modify, or alter without the written consent of both parties; and

WHEREAS, the Parties are desirous of amending the LEASE to eliminate the requirement of a fully operational restaurant and substituting certain financial support provisions of the CITY, said changes to be established in a First Amended Lease.

NOW, THEREFORE, BE IT ORDERED BY THE CITY OF OWENSBORO, KENTUCKY, AS FOLLOWS:

Section 1. That the Mayor be, and he hereby is, authorized to execute a First Amended Lease with the International Bluegrass Music Museum, Inc. under the terms of which the CITY will eliminate or forego the requirement of having a fully operational restaurant occupying the third floor and the level of funding provided by the CITY to the MUSEUM shall be as follows:

- (1) During the 2018-2019 Fiscal Year funding from the CITY shall be \$94,149.00;
- (2) During the 2019-2020 Fiscal Year funding shall be reduced to \$62,766.00;
- (3) During the 2020-2021 Fiscal Year funding shall be \$31,383.00; and
- (4) After the 2020-2021 Fiscal Year all funding provided by CITY shall be eliminated.

A copy of the First Amended Lease is attached hereto and incorporated by reference.

Section 2. That the Mayor be, and he hereby is authorized to execute any and all other agreements, instruments or documents necessary and appropriate to effectuate and implement the lease agreement between the CITY and MUSEUM.

INTRODUCED, PUBLICLY READ AND FINALLY APPROVED ON ONE READING, this the 21st day of August, 2018.

Thomas H. Watson, Mayor

ATTEST:

Beth Cecil, City Clerk

FIRST AMENDED LEASE

This First Amended Lease, made and entered into as of this ____ day of August, 2018, by and between the **CITY OF OWENSBORO, KENTUCKY (“CITY”)**, 101 E. Fourth Street, P.O. Box 10003, Owensboro, Kentucky 42302-9003, and the **INTERNATIONAL BLUEGRASS MUSIC MUSEUM, INC.**, 207 E. Second Street, Owensboro, Kentucky 42303 (“MUSEUM”). Collectively, the parties may be referred to as “the Parties” or “PARTIES.”

WITNESSETH:

WHEREAS, CITY and MUSEUM entered into a LEASE, dated as of November 23, 2015, establishing the terms and conditions for the operation of the International Bluegrass Music Museum. A copy of said LEASE is attached hereto and identified as Exhibit “A”; and

WHEREAS, Section 6.15. of the LEASE provided that at the time of opening, MUSEUM would have a fully operational restaurant occupying the third floor of the FACILITY; and

WHEREAS, the Grand Opening of the MUSEUM is scheduled for _____ and MUSEUM will be unable to comply with Section 6.15. of the LEASE; and

WHEREAS, Section 8.5. of the LEASE provided that the PARTIES may not effectively amend, change, modify, or alter without the written consent of both PARTIES; and

WHEREAS, the Parties are desirous of amending the LEASE to eliminate the requirement of a fully operational restaurant and substituting certain financial provisions of the CITY.

NOW, THEREFORE, for and in consideration of the Promises and the mutual covenants hereinafter contained, PARTIES hereto agree as follows:

SECTION 1. Section 6.15. of the LEASE providing that the MUSEUM would have a fully operational restaurant occupying the third floor of the FACILITY is hereby deleted or revoked.

SECTION 2. The funding of the MUSEUM in ARTICLE III of the LEASE is amended to add the following additional language:

- (1) The funding level provided by CITY to MUSEUM during the 2018-2019 Fiscal Year shall be \$94,149.00.
- (2) The funding level provided by CITY to MUSEUM during the 2019-2020 Fiscal Year shall be reduced by one-third of the 2018-2019 level to \$62,766.00;
- (3) The funding level provided by CITY the MUSEUM during the 2020-2021 Fiscal Year shall be reduced by one-third of the 2019-2020 level to \$31,383.00;
and
- (4) All funding provided by CITY to MUSEUM after the 2020-2021 Fiscal Year shall be eliminated.

IN WITNESS WHEREOF, the CITY and MUSEUM have caused this First Amended Lease to be executed in their respective names by their duly authorized officers, as of the date first above written.

IN WITNESS WHEREOF, the CITY and MUSEUM have caused this First Amended Lease to be executed in their respective names by their duly authorized officers, all as of the date first above written.

CITY: CITY OF OWENSBORO, KENTUCKY

By _____
Thomas H. Watson, Mayor

ATTEST:

By _____
Beth Cecil, City Clerk

MUSEUM: INTERNATIONAL BLUEGRASS MUSIC MUSEUM, INC.

By _____
Terry Woodward, Chair

STATE OF KENTUCKY)
) Sct.
COUNTY OF DAVIESS)

SUBSCRIBED, SWORN TO AND ACKNOWLEDGED before me by Thomas H. Watson, Mayor, and attested by Beth Cecil, as City Clerk, for and on behalf of the City of Owensboro, Kentucky herein, on this the ____day of August, 2018.

Notary Public, State of Kentucky at Large
Notary ID # _____
My commission expires: _____

STATE OF KENTUCKY)
COUNTY OF DAVIESS) Sct.

SUBSCRIBED, SWORN TO AND ACKNOWLEDGED before me by Terry Woodward, Chair of, for, and on behalf of International Bluegrass Music Museum, Inc., a party hereto, on this the _____ day of August, 2018.

Notary ID # _____
My commission expires: _____

This instrument prepared by:

Stephen D. Lynn, City Attorney
101 E. Fourth Street
P.O. Box 10003
Owensboro, KY 42302-9003
(270) 687-8556
lynnsd@owensboro.org