

## **MUNICIPAL ORDER 16-2020**

**A MUNICIPAL ORDER AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE A SECOND AMENDED LEASE WITH THE BLUEGRASS MUSIC HALL OF FAME & MUSEUM (FORMERLY THE INTERNATIONAL BLUEGRASS MUSIC MUSEUM, INC.) AMENDING TERMS RELATING TO USE OF THE CAPITAL RESERVE MAINTENANCE FUND, RELEASING ALL FINANCIAL CLAIMS AGAINST THE CITY, AND REAFFIRMING ALL TERMS IN THE LEASE AND FIRST AMENDED LEASE.**

**WHEREAS**, the City of Owensboro (CITY) and Bluegrass Music Hall of Fame & Museum (formerly the 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**, the Parties entered into a FIRST AMENDED LEASE, dated as of August 21, 2018, amending certain terms and conditions for the operation of the Bluegrass Music Hall of Fame & Museum. A copy of said FIRST AMENDED LEASE is attached hereto and identified as Exhibit “B”; and

**WHEREAS**, due to the unprecedented COVID-19 pandemic and the emergency closing of businesses by order of the Governor of Kentucky, MUSEUM has had to temporarily close its doors and cancel many of its previously scheduled events, which has had a detrimental effect on its finances and operating expenses; 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 provide operational funds for MUSEUM.

**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 Second Amended Lease with the Bluegrass Music Hall of Fame & Museum under the terms of which the MUSEUM shall:

- (1) Be authorized to utilize One Hundred Thousand Dollars (\$100,000.00) of the Capital Maintenance Reserve Fund established in Section 4.5(h) of the LEASE for its operating expenses; and
- (2) Fully restore or replenish the Capital Maintenance Reserve to the required Two Hundred Fifty Thousand Dollars (\$250,000.00) level within five (5) years of the execution of this Second Amended Lease; and
- (3) Release any and all other claims against the CITY and the CITY shall have no obligation to provide any other funding to MUSEUM other than that provided within the LEASE and its amendments.

**Section 2.** All other terms and conditions contained within the original LEASE and FIRST AMENDED LEASE are hereby reaffirmed.

**Section 3.** 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 SECOND AMENDED LEASE agreement between the CITY and MUSEUM.

**INTRODUCED, PUBLICLY READ, AND FINALLY APPROVED ON ONE  
READING,** this the 16th day of June, 2020.

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Thomas H. Watson, Mayor

ATTEST:

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Beth Cecil, City Clerk

## **SECOND AMENDED LEASE**

This Second Amended Lease, made and entered into as of this \_\_\_\_ day of June, 2020, by and between the **CITY OF OWENSBORO, KENTUCKY** ("CITY"), 101 E. Fourth Street, P.O. Box 10003, Owensboro, Kentucky 42302-9003, and the **BLUEGRASS MUSIC HALL OF FAME & MUSEUM**, (formerly the International Bluegrass Music Museum, Inc.) 311 West Second Street, Owensboro, Kentucky 42301 ("MUSEUM"). Collectively, the City and Museum may be referred to as the "Parties."

### **WITNESSETH:**

**WHEREAS**, the Parties entered into a LEASE, dated as of November 23, 2015, establishing the terms and conditions for the operation of the Bluegrass Music Hall of Fame & Museum. A copy of said LEASE is attached hereto and identified as Exhibit "A"; and

**WHEREAS**, the Parties entered into a FIRST AMENDED LEASE, dated as of August 21, 2018, amending certain terms and conditions for the operation of the Bluegrass Music Hall of Fame & Museum. A copy of said FIRST AMENDED LEASE is attached hereto and identified as Exhibit "B"; and

**WHEREAS**, due to the unprecedented COVID-19 pandemic and the emergency closing of businesses by order of the Governor of Kentucky, MUSEUM has had to temporarily close its doors and cancel many of its previously scheduled events, which has had a detrimental effect on its finances and operating expenses; 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 provide operational funds for MUSEUM.

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

**SECTION 1.** MUSEUM is authorized to utilize One Hundred Thousand Dollars (\$100,000.00) of the Capital Maintenance Reserve Fund established in Section 4.5(h) of the LEASE for its operating expenses.

**SECTION 2.** MUSEUM shall fully restore or replenish the Capital Maintenance Reserve Fund to the required Two Hundred Fifty Thousand Dollars (\$250,000.00) level within five (5) years of the execution of this Second Amended Lease.

**SECTION 3.** MUSEUM agrees that by executing this Second Amended Lease, it releases any and all other claims against the CITY and the CITY shall have no obligation to provide any other funding to MUSEUM other than that provided in Section 2 of the First Amended Lease.

**SECTION 4.** All terms and conditions contained within the original LEASE and FIRST AMENDED LEASE are reaffirmed.

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

**CITY:** CITY OF OWENSBORO, KENTUCKY

By \_\_\_\_\_  
Thomas H. Watson, Mayor

ATTEST:

By \_\_\_\_\_  
Beth Cecil, City Clerk

**MUSEUM:** BLUEGRASS MUSIC HALL OF FAME & MUSEUM

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 June, 2020.

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

STATE OF KENTUCKY)  
                                  )    Sct.  
COUNTY OF DAVIESS)

SUBSCRIBED, SWORN TO AND ACKNOWLEDGED before me by Terry Woodward, Chair of, for, and on behalf of Bluegrass Music Hall of Fame & Museum, a party hereto, on this the \_\_\_\_\_ day of June, 2020.

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

This instrument prepared by:

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