

**AMENDED FRANCHISE AGREEMENT
BETWEEN THE
CITY OF ALEXANDRIA, VIRGINIA, AND
THE TALL SHIP PROVIDENCE FOUNDATION**

THIS AMENDED FRANCHISE AGREEMENT is made this _____ day of _____ 2026, by the City of Alexandria, a municipal corporation of Virginia ("City"), and the Tall Ship Providence Foundation, a non-profit, tax-exempt organization ("Franchisee" or "Tall Ship Providence").

WHEREAS, in or about November 12, 2022 City Council of the Alexandria Virginia, approved a franchise agreement permitting the Tall Ship Providence a reproduction historic tall ship ("Vessel") that will provide a living history museum, public cruises, private charters and retail items, to dock at the riparian area adjacent to the Waterfront Park bulkhead (1A Prince St.) in the City of Alexandria, Virginia consistent with Special Use Permit #2021-0001; and

WHEREAS, in or about June 25, 2019, City Council after adopting Franchise Ordinance 5235, pursuant to §15.2-2100 et. seq. of the Code of Virginia (1950) as amended, the City solicited bids to moor an historic or reproduction historic tall ship for sightseeing tours, private charters, private events, educational programming and to allow design construction upgrades of the City's infrastructure. The Tall Ship Providence Foundation was the responsive party, and

WHEREAS, the City is willing to permit Franchisee to use the Waterfront Park bulkhead and/or City Marina G/H Pier T-Head ("Berth") for docking purposes and for visitor and service access in accordance with the terms and conditions set forth below;

NOW, THEREFORE, in consideration of the premises, the mutual promises contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Representations. By executing this agreement, the Franchisee warrants that it is the legal

owner and operator of the Vessel described in paragraph 14 below (the "Vessel") and is authorized to enter into this Franchise Agreement.

2. Applicability of City, State and Federal Law. This Franchise Agreement is subject to title 6, chapter 3 of the Alexandria City Code and any and all applicable provisions of federal, state, and local law. Franchisee agrees to comply with the criminal, fire, health and safety laws of the City of Alexandria and the Commonwealth of Virginia pertaining to the operation of the Vessel. Franchisee shall permit officers and employees of the City of Alexandria charged with the enforcement of such laws to board and inspect the Vessel for the purpose of enforcing such laws. Franchisee hereby agrees to permit periodic inspection of the Vessel by code enforcement inspectors of the City of Alexandria, and to remedy to the extent practicable any and all deficiencies and unsafe conditions found by such inspectors.
3. Rules and Regulations. Franchisee shall comply with all applicable rules and regulations of the City of Alexandria, including the conditions as approved or amended in Special Use Permit #2021-0001 and which are incorporated by reference into this Agreement as if fully set forth herein. The Franchisee shall also comply with any rules and regulations of the City or of the Alexandria Marina which are adopted subsequent to the execution of this Agreement unless such rules are manifestly unreasonable in their application to Franchisee.
4. Insurance. Franchisee shall provide a certificate of insurance to the City that shows that Franchisee and the Franchisee's Vessels are covered by the terms, conditions, insurance, and financial requirements which are set forth in the franchise and are hereby incorporated into the Franchise Agreement as if fully set forth herein. Franchisee will at

all times maintain the following insurance coverage:

- a. Hull and Machinery: at the fair market value of the Licensed Vessels
- b. Protection and Indemnity: Limit of \$1,000,000.00
- c. Vessel Pollution: Limit of \$5,000,000.00
- d. Wreck removal insurance to cover the cost of removing the Vessel if it should sink or become awash, and the City shall be named beneficiary of such policy.
- e. Bumpershoot Liability: (sitting excess of all of the above) Limit Total of \$2,000,000.00

Franchisee agrees to maintain such insurance coverage throughout the term of this Franchise Agreement, and to furnish evidence to the City of such coverage prior to the effective date, and throughout the term, of this Franchise Agreement. In addition, City shall be named on the liability insurance policy required by subsections (a.-e.) as an additional insured.

5. Indemnification. Subject to the dollar limitations set out in subsection 4(a), and apart from and in addition to any insurance coverage, Franchisee agrees to indemnify and hold harmless the City and all of its officers, employees and agents from and against all suits, actions, causes of action, damages, claims, liability and expenses (including court costs and attorneys' fees), and against any losses, resulting from or arising out of any bodily injury or property damage caused, in whole or in part, by any act or omission of the Franchisee or any of its employees, agents, invitees, Franchisees or guests in the course of operating, maintaining or using the Vessel while located within or approaching or departing the Alexandria Marina, except to the extent such injury or damage is caused by the negligence of the City or its officers or employees.

6. Waiver of City's Liability. By executing this Franchise Agreement, Franchisee expressly

acknowledges and agrees that the City and its officers and employees shall not be liable to Franchisee or to any of its employees, agents, invitees, Franchisees or guests for any bodily injury or property damage sustained by any of them while on Franchisee's Vessel or while at or on the Alexandria Marina, or for any property damage to Franchisee's Vessel sustained while the Vessel is located within or is approaching or departing the Marina, except to the extent such injury or damage is caused by the negligence of the City or its officers or employees.

7. Grant and Term of Franchise.

- a. In exchange for the consideration described herein City grants permission to Franchisee to dock the Vessel at the Waterfront Park bulkhead (1A Prince St.) and/or the City Marina G/H Pier T-Head.
- b. The term of this franchise shall from June 1, 2023, through January 31, 2026.

8. Intentionally Deleted.

9. Franchise Fee. Franchisee shall pay to City an annual fee for the Franchise Rights to use the Berth.

- a. Franchisee shall pay to the City a guaranteed annual fee for the Franchise granted hereunder. The fee shall be based on the terms, conditions, insurance, and financial obligations hereby incorporated into the Franchise Agreement as if fully set forth herein. The Guaranteed Annual Fee for the use of the Berth for the first ten (10) years are shown in the table below.

Term	Annual Payment	Monthly Payment
Year One:	\$15,914	\$1,326
Year Two:	\$16,391	\$1,366
Year Three:	\$16,883	\$1,407
Year Four:	\$17,389	\$1,449
Year Five:	\$17,911	\$1,493

Year Six:	\$18,448	\$1,537
Year Seven:	\$19,002	\$1,583
Year Eight:	\$19,572	\$1,631
Year Nine:	\$20,159	\$1,680
Year Ten:	\$20,764	\$1,730

For each lease year, the City shall receive, in addition to the guaranteed annual payments, an Additional Fee equal to two and one-half percent (2.5%) of Net Revenue in excess of \$1,000,000.

Net Revenue is defined as the aggregate dollar amount of all business resulting from the operations as outlined in 17.d. including all sales of food, beverages and merchandise and all charges for services performed in, upon or resulting from, visitors boarding the Vessel at the Berth. Within sixty (60) days after each Franchise year (July 30), Franchisee shall submit to the City a report of Net Revenue for the Franchise year and the payment of the Additional Fee.

- b. Franchisee shall continue to pay to the City a guaranteed annual fee of \$5,493.36 for repayment of suspended License fee during COVID-19 from January 1, 2023 through December 31, 2024. The COVID-19 repayment fee will be paid in twelve (12) monthly payments on the first day of each month with the first fee due on January 1, 2023.

Term	Annual Payment	Monthly Payment
Calendar Year 2023:	\$5,493.36	\$457.78
Calendar Year 2024	\$5,493.36	\$457.78

- c. Licensee shall not be entitled to any reduction in fees in the event any Berth is not occupied by a Licensed Vessel or Licensee does not conduct Services from the Alexandria City Marina.
- d. If Licensee fails to pay any installment in full within ten (10) calendar days of the installment's due date, Licensee shall be liable for a penalty, equal to ten percent (10%) of said installment, plus interest, based upon the amount unpaid and a rate of ten percent (10%) per annum (compounded annually), from the due date. Any

such penalty and interest shall be due at the next installment due date.

e. *Annual Fee.* The annual fee will be paid in twelve (12) monthly payments on the first day of each month with the first fee due on January 1, 2023.

f. *Payment Mailing Address.* All payments shall be sent to the City at the following address:

City of Alexandria/RPCA
Jack Browand, Deputy Director
1108 Jefferson Street
Alexandria VA 2314

Check tendered in payment of the monthly fee shall be made payable to the “City of Alexandria.”

g. *Late payment:* In the event any payment due to the City hereunder is delayed by more than thirty (30) days business days, such payment shall be deemed to increase by ten percent (10%) of the payment due. Interest on the unpaid amount shall accrue at the rate of 2.5% per month from the due date until paid.

10. Assignment. This Agreement granting a franchise may not be assigned by the Franchisee without the prior written consent of City, which consent may or may not be granted at the City’s discretion.

11. Termination. In the event that Franchisee violates any of the terms of this Agreement, Franchisee shall be considered in default. If such default continues for thirty (30) days after Franchisee has received written notice of the default, then this Agreement may be terminated, effective immediately, by City. Notwithstanding the above, City shall have the right to terminate this Agreement, effective immediately, in the event that Franchisee shall be adjudicated as bankrupt, or if a receiver is appointed in a legal proceeding of any kind to take possession of the assets of Franchisee, or if any creditor of Franchisee shall seize, take possession of, or foreclose upon the Vessel. City shall also have the right to terminate this Agreement, effective immediately, if Franchisee fails to maintain all of the

types of insurance required by paragraph 4 of this Agreement.

12. Removal. If this Agreement is terminated, Franchisee shall immediately remove the Vessel from and cease utilizing the Berth and any alternate docking facility owned by City. If it becomes necessary for City to remove or cause the removal of the Vessel through any legal proceeding, or otherwise, then the City shall be entitled to recover all costs incurred in conjunction with the removal and with such proceeding, including attorney's fees, from the Franchisee and any successor in interest in ownership or possession of the Vessel, and such liability shall be joint and several.
13. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia.
14. Description. The Vessel is a replica tall ship with a deck 62 feet in length, an overall length of 110 feet (including bowsprit/jibboom), and 22 feet in width. The Vessel mast has a height of 93 feet and 6 inches.
15. Use of Vessel. The Vessel shall be used solely and exclusively as a living history museum and tourist attraction open to the public and may schedule public cruises and private charters. All activity and business operations are limited to conditions consistent with conditions as approved or amended in Special Use Permit #2021-0001 unless permission is provided by the City in writing. The Franchisee is not permitted to conduct any activity or business operation from the shore consistent with conditions as approved or amended in Special Use Permit #2021-0001.
16. Fuel. The Vessel shall not take on gasoline or other fuel when it is docked at the Berth.
17. Provisions, Operation and Appearance.
 - a. Franchisee agrees to provision the Vessel at such time and in such manner as to

minimize the adverse impact upon businesses, their invitees and guests, and members of the general public on or adjacent to the Berth. Franchisee shall require all vendors and service personnel who supply goods or render services to the Vessel, or who engage in any activity related to the use or maintenance of the Vessel, use Prince St. or the loading zone in Thompson's Alley.

- i. Franchisee agrees that public access to Waterfront Park and the Alexandria Marina G/H Pier shall be open to the public consistent with the posted hours of operations.
 - ii. The Franchisee shall not interfere with the use of and access to Waterfront Park and all designated slips on the City Marina G/H Pier.
 - iii. Franchisee shall not interfere with and must allow for unimpeded access to the City of Alexandria's Fire Boat while berthing at the City Marina G/H Pier. The City retains the right to modify Franchisee's business operations to ensure full access to the Fire Boat.
- b. At all times, Franchisee shall maintain the Vessel in such a manner as to keep it neat and orderly in appearance, with its operating systems functioning in good working order.
 - c. Franchisee shall not engage in any activity which results in visual, excessive noise, foul odors, the accumulation of litter or debris on the shore areas adjacent to the Berth, including all City parks or in the waters adjacent to the Berth, or such other conditions which the City may, in its sole discretion, deem inconsistent with the use and enjoyment of the Berth. No music, amplified sound, machine noise or any other noise from the Vessel shall be audible at the closest City street

at any time.

- d. Franchisee is permitted to conduct public operations as follows:
 - i. Public tours from 9 a.m. to 8 p.m. Monday through Friday, and from 11 a.m. to 5 p.m. Saturday, Sunday & Holidays;
 - ii. Private craft beer cruise from 3:30 p.m. to 9 p.m. on Friday, Saturday & Sunday;
 - iii. Private pirate and/or other themed cruises from 8:30 a.m. to 10:30 a.m. on Saturday & Sunday and pirate, afternoon or sunset cruises from 3:30 p.m. to 9 p.m. daily ;
 - iv. Private charters from 5 p.m. to 12 a.m. (midnight) daily; and
 - v. Lectures, classes, and other educational activities from 8 a.m. to 11 a.m. on Saturday & Sunday
 - vi. Special events on any day
- e. Franchisee shall not place any signs, advertisements, or notices of any nature, on any part of the bulkhead, without City's prior written consent and without such sign, advertisement or notice complying with all applicable laws, including but not limited to the City of Alexandria Zoning Ordinance, which shall be deemed applicable to the Vessel for the purposes of this paragraph.
- f. No more than 49 persons plus five crew, which is permitted by the Coast Guard, may occupy the Vessel at any one time.
- g. Franchisee shall undergo a crime prevention survey by the Alexandria Police Department within 15 days of the date that this Agreement is finally executed, or by such other date as may be mutually agreed upon by the parties to this Agreement, and Franchisee shall implement all crime prevention procedures and devices recommended by the Alexandria Police Department within 15 business days of receiving the results of the survey.

- h. If the Vessel is closed to the public for more than 30 consecutive days, Franchisee shall notify City in writing of the reason for the closure and the anticipated date when the Vessel will reopen. City may require removal of the Vessel from the Berth if the Vessel is closed to the public for more than 30 consecutive days. In the event that the Franchisee intends to move the Vessel from the Berth for a period of more than 30 consecutive days, Franchise shall so notify the City in writing. The foregoing removal will not in any way relieve Franchisee of its obligation to pay the Franchise Fee.
- i. While using the Waterfront Park Bulkhead, the Franchisee may install a docking facility consistent with Special Use Permit #2021-0001 and any subsequent amendments or interim actions associated with Special Use Permit #2021-0001.
- j. While using the City Marina G/H Pier T-Head, the Franchisee may operate consistent with this License.
- k. Per Special Use Permit #2021-0001, TSPF shall provide a perpetual public access easement for the portion of the pier marked as public on the plans submitted to the City, during public operation hours, hours as determined in paragraph 17.d. of this agreement.

18. Utilities and Services Provided.

- a. While using the Waterfront Park Bulkhead, Franchisee is responsible for providing all utilities and services in support of its business operations consistent with Special Use Permit #2021-0001.
- b. While using the City Marina G/H Pier, the City is responsible for providing all utilities and services in support of its business operations consistent with the

License.

19. Refuse. Franchisee shall arrange and pay for the prompt and continuous collection and removal of all litter, debris and refuse generated by the Vessel and of its employees, agents, invitees, Franchisees, or guests. If Franchisee fails to fulfill its obligations under this paragraph, as determined by City in its sole discretion, City may arrange and pay for such collection and removal of litter, debris, and refuse. Franchisee shall, upon demand by City, reimburse City for expenses incurred for such collection of refuse within 30 days of Franchisee's receipt of a billing statement itemizing such expenses and issued by City.
20. Parking. Franchisee shall take all reasonable efforts to advise passengers of off-street parking facilities to avoid on-street parking in the City, including, without limitation, providing passengers, visitors and their agents with maps and directions to off-street parking facilities and shall provide such maps and directions available at Franchisee's office, website and included in any and all other promotional materials.
21. Waterfront Small Area Plan Implementation.
 - a. At such time as the City implements the proposed waterfront and flood mitigation improvements to the area approved in Special Use Permit #2021-0001, TSPF shall remove and relocate the Tall Ship Providence, floating pier, gangway, cottages, above or below grade utility infrastructure and any other associated structures to an interim location to be determined in consultation with the City. The relocation of the floating pier, gangway, cottages, and any other associated structures shall be for the duration of related construction activities to the satisfaction of and at no cost to the City.

The timing associated with the removal and relocation of the floating pier,

gangway, cottages, and any other associated structures shall be mutually agreed in writing between the City and TSPF. The City will use its best efforts to provide the applicant with updates on the planning and the design of the flood mitigation improvements to be constructed on the adjacent City-owned property. If practicable given the circumstances the City will give Franchisee 12 months written notice of the City's intention to remove or relocate the floating pier, gangway, cottages, and other associated structures.

TSPF shall allow the City access to provide maintenance and enable the City to conduct any necessary preparations in the area approved in Special Use Permit #2021-0001 to facilitate design and engineering activities in the implementation of proposed waterfront and flood mitigation improvements. TSPF understands that maintenance and/or potential design and engineering activities may result in temporary or long-term disruption of TSPF operations, including utility connections, and/or the temporary relocation of the Tall Ship Providence, floating pier, gangway, cottages, and any other associated structures. It shall be the responsibility of TSPF to coordinate temporary utility service as needed and for the relocation, either within or outside the City's jurisdiction during these time periods at no cost or liability to the City.

The timing of interim disruptions to operations, including utility connections, and the relocation of the Tall Ship Providence and/or the floating pier, gangway, cottages and any other associated structures shall be mutually agreed in writing between the City and TSPF. The City will use its best efforts to provide the applicant with updates on the planning and the design of the flood mitigation improvements to be constructed on the adjacent City-owned property.

ATTACHMENTS

1. Special Use Permit #2021-0001

2. Approved Grading Plan

SIGNATURES FOLLOW

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

<p>CITY OF ALEXANDRIA, a municipal corporation of Virginia</p> <p>By: _____ James P. Parajon City Manager</p> <p>Date: _____</p>	<p>TALL SHIP PROVIDENCE FOUNDATION</p> <p>By: _____ Kathleen Seifert Executive Director</p> <p>Date: _____</p>
<p>APPROVED AS TO FORM:</p> <p>_____ Shawn B. Lassiter Assistant City Attorney</p>	