

BACKGROUND: The Tall Ship Providence Foundation is a 501(c)(3) organization formed to purchase and preserve the historic Tall Ship Providence. The docking of a historic tall ship is consistent with the City Council approved Waterfront Small Area Plan. The Foundation operates the Tall Ship Providence solely and exclusively as a living history museum and tourist attraction open to the public and may schedule public cruises and private charters. All business operations will occur from their private docking facility attached to the City shoreline at Waterfront Park.

DISCUSSION: On 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 a 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. On or about November 12, 2022 City Council approved a franchise agreement permitting the Tall Ship Providence, a reproduction historic tall ship that provides 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.

This Franchise Agreement is currently under consideration by City Council to amend its termination date, to terminate the Agreement on January 31, 2026. The attached License Agreement (attachment 1) will replace the Franchise Agreement with similar terms and conditions, including the license fee amount. Converting the Franchise Agreement into a License Agreement provides the City with more flexibility to make changes, without entering into a lengthy franchise amendment process. The lease term is five years, and can be renewed, if desired, by City Council at the end of that term.

FISCAL IMPACT: Guaranteed revenue of approximately \$90,000 over the five year license agreement. For each lease year, the City shall receive, in addition to the annual fee, an Additional Fee equal to two and one-half percent (2.5%) of Net Revenue in excess of \$1,000,000.

ATTACHMENTS:

1. License Agreement Between City of Alexandria and Tall Ship Providence Foundation

STAFF:

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