

RESOLUTION NO. 11-013

A RESOLUTION OF THE CAROLINE STREET CORRIDOR AND BAHAMA VILLAGE COMMUNITY REDEVELOPMENT AGENCY (CRA) APPROVING THE ATTACHED "FIRST AMENDMENT TO AGREEMENT" BETWEEN THE CRA AND PREMIERE RACING, INC. FOR KEY WEST RACE WEEK BETWEEN AND INCLUDING THE YEARS 2010 AND 2012; PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, in Resolution 07-017, the CRA approved an agreement between the CRA and Premiere Racing, Inc. for Key West Race Week; and

WHEREAS, the Key West Bight Board approved the proposed "First Amendment to Agreement;"

NOW, THEREFORE, BE IT RESOLVED BY THE CAROLINE STREET CORRIDOR AND BAHAMA VILLAGE COMMUNITY REDEVELOPMENT AGENCY, AS FOLLOWS:

Section 1: That the attached "First Amendment to Agreement" is hereby approved.

Section 2: That this Resolution shall go into effect immediately upon its passage and adoption and authentication by the signature of the presiding officer and the Clerk of the Agency.

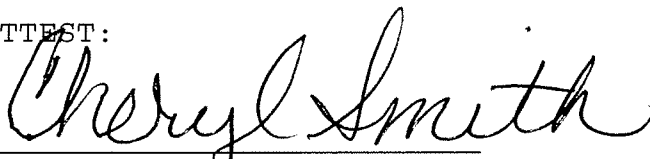
Passed and adopted by the Caroline Street Corridor and Bahama Village Community Redevelopment Agency at a meeting held this 4th day of January, 2011.

Authenticated by the presiding officer and Clerk of the Agency on January 5, 2011.

Filed with the Clerk January 5, 2011.

  
\_\_\_\_\_  
CRAIG CATES, CHAIRMAN

ATTEST:

  
\_\_\_\_\_  
CHERYL SMITH, CITY CLERK

# Executive Summary



**TO:** Community Redevelopment Agency

**CC:** Jim Scholl

**FR:** Marilyn Wilbarger, RPA, CCIM

**DT:** November 15, 2010

**RE:** Premiere Racing Contract Amendment

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## **ACTION STATEMENT**

This is a request to approve an amendment to the Premiere Racing contract for the 2011 Key West Race Week. The Key West Bight Board has approved this contract amendment.

## **HISTORY**

Premiere Racing has made a request move the shore side social and race headquarters component of Race Week from the Caroline Street parking lot to Kelly's Caribbean restaurant.

They have also requested changes in the print publications which will be limited to the Official Notice & Conditions of Race. There will be no Race Week News in 2011. The Sailing Instructions, Results and Media Mailings will all be online publications, web site postings or email based.

The Bight Board has agreed to these changes with some additional stipulations that provide for Premiers Racing to pay for slips and parking that was previously gratis. In addition Premiere Racing has agreed to make a charitable donation in a minimum amount of \$2500 to the Key West Community Sailing Center to be used for sailing instructional scholarships for children.

## **FINANCIAL STATEMENT:**

The dockage and parking spaces for the periods specified is approximately \$12,000 in revenues to the Key West Bight that will be collected, if utilized.

## **RECOMMENDATION:**

Staff recommends approval of the contract amendment for the 2011 race week event.

## **ATTACHMENTS:**

Contract Amendment

Current Agreement

## FIRST AMENDMENT TO AGREEMENT

This First Amendment to Agreement is entered into this 4th day of January, 2010, by and between the Caroline Street Corridor and Bahama Village Community Redevelopment Agency of the City of Key West, Florida, (hereinafter "CRA") and, Premiere Racing, Inc., a Massachusetts corporation registered in Florida (hereinafter "PREMIERE").

### WITNESSETH

WHEREAS, CRA and PREMIERE entered into a Agreement on the 9<sup>th</sup> day of January, 2007, (the "Agreement"), pertaining to PREMIERE'S Key West Race Week; and

WHEREAS, the CRA and PREMIERE now desire to amend their Agreement for the **2011 Race Week only**, in order to modify the terms and conditions.

NOW, THEREFORE, in mutual consideration of the benefits conferred upon the parties by the terms of this Amendment, CRA and PREMIERE agree as follows:

1. **Key West Bight Historic Seaport.** The two sentences of paragraph 2 are deleted in their entirety and replaced with the following:

Kelly's Caribbean Restaurant is hereby designated the official site of Race Week and shall be acknowledged as the official site in all event related media releases. As such, it is the exclusive site for the event, and Race Week headquarters (and all attendant facilities) shall be located there.

2. **Covenants of Premiere Racing, Inc.**

Paragraph 3(b) of the Agreement is hereby deleted in its entirety.

Paragraph 3(c) of the Agreement is hereby deleted in its entirety and replaced with the following:

*Sailing Instructions/Program*

This will be an online publication

*Results/Wrap-Up Package*

The Race Week Wrap-Up with final results, all media releases and sponsor acknowledgments will be an online publication, a website posting or email based in August.

*Media Alerts*

Media alerts, including information on the Official Site will include the Historic Seaport logo and will be online publications, website postings or email based

Paragraph 3 (e) of the Agreement is hereby deleted in its entirety

Paragraph 3 (n) of the Agreement is hereby deleted in its entirety

Paragraph 3 (o) of the Agreement shall be amended to delete the second sentence in its entirety therefore Premiere Racing, Inc will not be charged \$1500 for trash disposal.

Paragraph 3 (q) of the Agreement is hereby deleted in its entirety.

Paragraph 3 (r) of the Agreement is hereby deleted in its entirety.

Paragraph 3 (t) is hereby added to the Covenants of Premiere Racing Inc. as follows:

Premiere expressly agrees herein to make a charitable contribution to the Key West Community Sailing Center Youth Sailing Program in the minimum amount of \$2,500.00 no later than the 31st day of January, 2011.

**3. Covenants of the CRA**

Paragraph 5(a) of the Agreement is hereby deleted in its entirety and replaced with the following:

No access shall be provided for the use of the Caroline Street parking lot except that spaces may be rented at the daily rate for each space.

Paragraph 5(b) of the Agreement is hereby deleted in its entirety and replaced with the following:

CRA shall rent dock space and/or slips to Premiere at the rate of \$3.00 per foot per day for official Race Week support boats during the period beginning on the Friday prior to Race Week continuing through the Friday ending Race Week.

Paragraph 5 (e) of the Agreement is hereby deleted in its entirety and replaced with the following:

CRA shall make five (5) dock space and/or slips available to Premiere at the special event rate of \$3.50 per foot per day for foreign racing boats or high profile entries during the period beginning on the Thursday prior to Race Week continuing through the Sunday following the event.

Paragraph 5 (f) of this Agreement is deleted in its entirety.

Paragraph 5 (i) of this Agreement is deleted in its entirety.

**4. Add new paragraph 13.**

13. Premiere Racing Inc. herein expressly agrees to remain liable to the CRA for repairs due to damages caused by Premiere Racing Inc.'s utilization of the parking lot during the 2010 race event.

Except as modified herein, the Agreement as amended shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have made this First Amendment to Agreement on the date first written above.

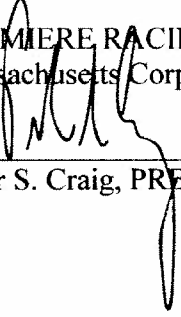
Caroline Street Corridor and Bahama Village  
Community Redevelopment Agency

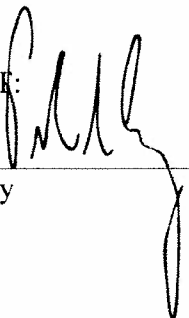
By:   
CRAIG CATES, CHAIRMAN



  
CHERYL SMITH, CRA CLERK

PREMIERE RACING, INC., A  
Massachusetts Corporation

By:   
Peter S. Craig, PRESIDENT

ATTEST:   
Secretary

RESOLUTION NO. 07-017

A RESOLUTION OF THE CAROLINE STREET CORRIDOR AND BAHAMA VILLAGE COMMUNITY REDEVELOPMENT AGENCY (CRA) APPROVING THE ATTACHED AGREEMENT BETWEEN THE CRA AND PREMIERE RACING, INC. FOR KEY WEST RACE WEEK BETWEEN AND INCLUDING THE YEARS 2008 AND 2012; PROVIDING FOR AN EFFECTIVE DATE

BE IT RESOLVED BY THE CAROLINE STREET CORRIDOR AND BAHAMA VILLAGE COMMUNITY REDEVELOPMENT AGENCY, AS FOLLOWS:

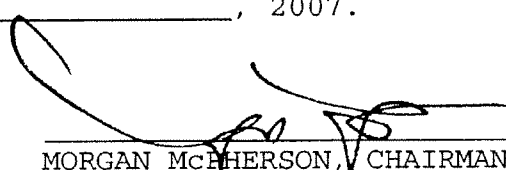
Section 1: That the attached Agreement is hereby approved.

Section 2: That this Resolution shall go into effect immediately upon its passage and adoption and authentication by the signature of the presiding officer and the Clerk of the Agency.

Passed and adopted by the Caroline Street Corridor and Bahama Village Community Redevelopment Agency at a meeting held this 3 day of January, 2007.

Authenticated by the presiding officer and Clerk of the Agency on January 4, 2007.

Filed with the Clerk January 4, 2007.

  
MORGAN McPHERSON, CHAIRMAN

ATTEST:

  
CHERYL SMITH, CITY CLERK



# Executive Summary

**To:** Julio Avel, City Manager

**From:** Raymond Archer, Port Director  
Mark Tait, Marina Manager

**Date:** December 13, 2006

**Re:** CRA Item: Premiere Racing, Inc – Yachting Race Week, 5-year contract at the Key West Bight

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## PROJECT ISSUE

Premiere Racing, Inc. has requested use of Key West Bight (KWB) property for a period in January for Yachting Race Week for year 2008-2012. Premiere Racing is currently in the last year of a five year contract. The race dates are as follows for the new Agreement:

- 2008 – January 21 – 25
- 2009 – January 19 – 23
- 2010 – January 18 - 22
- 2011 – January 17 – 21
- 2012 – January 16 – 20

In addition this contract designates closure of the Caroline St. Parking Lot each year 6 days before the race starts until 1 day after it ends for the race week tent.

Staff negotiated a contract with Premier Racing which was recommended for approval to the CRA by the KWB Board at their December 20, 2006 meeting.

The main parts of the agreements are as follows:

- The KWB will be designated as the official site for the Race Week,
- The event will deliver a minimum of 3,000 participants and spectators,
- The KWB will be presented as the first option for dockage,
- Premiere Racing agrees to purchase all fuel from the KWB,
- The entire Caroline Street parking lot will be used for Race Week,
- Dockage will be provided to support boats, committee boats at no cost,



- The CRA is approving the sale of alcoholic beverages within the Caroline Street parking lot for the term of the Agreement, but the CRA reserves the right to revoke the approval at anytime with cause.

### **OPTIONS**

There are several options at this point in the process:

1. Approve the request for the period in January for Yachting Race Week for year 2008-2012.
2. Only approve the event for 2008 and require the event promoter to seek approval each year.
3. Reject the request for use of the KWB property.

### **ADVANTAGES/DISADVANTAGES**

Option 1: The KWB Board has recommended approval of an Agreement that addresses all concerns that were identified in the existing five year agreement. By approving the five year term, the promoter can line up sponsors and the event will continue to be beneficial to the community.

Option 2: By only approving a one year Agreement, Premiere Racing cannot guarantee sponsorship for the event, nor guarantee continued success of the event. One year Agreements do allow the City to renegotiate the terms of the Agreement each year.

Option 3: By not approving the Agreement, tenants of the KWB and merchants of the City will be losing a viable income stream for the month of January. However, not approving the Agreement prevents certain year round tenants of the KWB from having to relocate.

### **FINANCIAL ISSUES**

Premiere Racing purchases fuel from the KWB and pays \$1,500 for the extra garbage pickups that are required for the event.

### **RECOMMENDATION**

The Key West Bight Board and staff recommends the five year Agreement be approved by the CRA.

**AGREEMENT**

THIS AGREEMENT is made this 9<sup>th</sup> day of Jan, <sup>2007 HRR</sup> 2006, by and between the Caroline Street Corridor and Bahama Village Community Redevelopment Agency of the City of Key West, Florida ("CRA") and Premiere Racing, Inc.

WHEREAS, the parties desire Premiere Racing, Inc. to promote and manage Premiere Racing's Key West Race Week ("Race Week"), a five-day sailing regatta at Key West, Florida during the second or third week of January in the years 2008 to 2012, inclusive; and

WHEREAS, the parties desire Race Week to take place at the Historic Seaport at the Key West Bight ("Historic Seaport"); and

WHEREAS, the parties desire to set forth their mutual understanding in a formal Agreement;

NOW THEREFORE, in consideration of the mutual covenants contained herein, and other consideration the receipt and sufficiency thereof are hereby acknowledged, Premiere Racing, Inc. and CRA agree as follows:

1. **Term**

This Agreement shall be in effect for a period of five (5) years from the date of its execution, unless terminated earlier as provided below, and shall pertain to the management and promotion of Race Week to be scheduled for the second or third week of January, with race dates as follow:

2008 – January 21 – 25

2009 – January 19 – 23

2010 – January 18 - 22

2011 – January 17 – 21

2012 – January 16 – 20

In the event Race Week does not take place on such dates for any reason, then at the sole discretion of the CRA this agreement may be terminated upon three (3) days prior written notice to Premiere Racing, Inc. Prior to March 15<sup>th</sup> of each year, if Premiere Racing Inc. chooses not to put on Race Week, Premiere Racing Inc. must notify CRA in writing.

2. **Key West Bight Historic Seaport**

The Historic Seaport is hereby designated the official site of Race Week and shall be acknowledged as the official site in all event related media releases. As such,

it is the exclusive site for the event, and Race Week headquarters (and all attendant facilities) shall be located at the Historic Seaport, if available.

3. **Covenants of Premiere Racing, Inc.**

- a. Premiere Racing, Inc. shall incorporate the Historic Seaport in every facet of Premiere Racing's Key West Race Week promotion and marketing efforts, including all direct mail, Race Week publications, press releases and correspondence. Proof of promotion and marketing shall be presented to the CRA.
- b. The event will deliver a minimum of 3,000 participants and spectators to the Historic Seaport throughout a seven-day period and specifically on the six evenings that the Race Week reception tent will be open. Premiere Racing will provide documentation to the CRA verifying number of participants. The two-hour reception and awards presentation will be the draw each evening for participants and others involved in the event. There will be a significant amount of additional foot traffic associated with Race Week Headquarters, the Media Center and Jury Rooms, all of which will be located in the Historic Seaport, providing there is appropriate office space available for these race week functions.
- c. The Historic Seaport will be acknowledged as the official site in all Race Week publications. Additionally, the Historic Seaport logo will be displayed along with those of the event corporate sponsors. In addition, Premiere Racing, Inc. covenants as follows:

*Official Notice & Conditions of Race*

The four-color Official Notice and Conditions of Race is a promotional/informational piece that is distributed to 4,000 active yacht owners, industry leaders and the press. This 24-28 page piece, which is mailed in August, includes the entry form.

*Sailing Instructions/Program*

The four-color Race Week Sailing Instructions/Program is an informational piece, which also serves to promote the event because of the dramatic visuals and information included. This 28-32 page piece, which

includes the schedule of events, general information and rules and regulations for the regatta, is mailed and distributed on-site to 3,000 yacht owners, industry leaders and the media in January of each year.

*Race Week News*

The on-site daily Race Week newspaper (color covers) features six (6) issues with 1,500 papers daily and 2,000 papers on Monday. The Race Week News will be delivered to pre-determined locations at the Historic Seaport each day.

*Results/Wrap-Up Package*

The Race Week Wrap-Up (color-cover/bound) with final results, all media releases and sponsor acknowledgments is distributed to over 500 yacht owners, industry leaders and the media. This mailing takes place in February of each year.

*Media Mailings*

Separate mailings, including media alerts, are mailed and emailed to over 300 targeted media contacts around the world. These releases will include information on the Official Site and printed releases will include Historic Seaport logo.

- d. Race Week has its own Internet web site at <http://www.Premiere-Racing.com>. This web site features regatta information, press releases, entries, results and photographs of the regatta. Linking is available.
- e. The Historic Seaport will be offered two half-page promotional articles on the Seaport in the *Race Week News*.
- f. Premiere Racing, Inc. will present the Historic Seaport Marina as the first option for slips and dock space during Race Week. All promotional material distributed by Premiere Racing, Inc. for Race Week, including newsletters, the Race Week Web Site, promotional one-design class letters and media alerts will highlight the Historic Seaport Marina as the premiere choice for slips. The mutual goal is to have over 100 of the competing yachts moored in the Bight area

- g. CRA tenants at the Historic Seaport will be offered the opportunity to bid on any and all catering needs of Premiere Racing, Inc. during Race Week.
- h. Official event bags will be distributed to all participating yachts, sponsors and VIP's at Race Week. The CRA may contribute a brochure or promotional piece to be placed in each VIP/yacht-owner event bag.
- i. Premiere Racing, Inc. will use Race Week publications and correspondence to promote the public parking facilities adjacent to and near to the proposed Race Week tent.
- j. Premiere Racing, Inc. has public relations professionals contracted to promote and publicize the event on the local, national and international level. The services of Premiere Racing, Inc.'s public relations professionals are available to the Historic Seaport on-site.
- k. Two 3'x 8' banners for the Historic Seaport may be suspended under the Race Week tent.
- l. The CRA may use Race Week trademarks for any promotions or advertising. Use of trademarks shall be with the prior approval of Premiere Racing, Inc.
- m. Premiere Racing, Inc. agrees to provide a fuel deposit in the amount of \$7500.00 at least five (5) business days prior to each Race Week, and further agrees to purchase all fuel for its race committee boats from the Key West Bight Marina at its then current rates. The CRA will apply the fuel deposit to fuel purchases.
- n. Premiere Racing, Inc. agrees to provide a security deposit in the amount of \$5,000 at least five (5) business days prior to each Race Week for the faithful performance by Premiere Racing, Inc. of all repairs to damages caused by Premiere Racing, Inc., its agents and employees to any and all areas within the Historic Seaport site, excluding the parking lot, which is to be handled separately. Premiere Racing, Inc. further agrees to provide a security deposit in the amount of \$1,500 at least five (5) business days prior to each Race

Week for the faithful performance of all repairs to damages caused by Premiere Racing, Inc., its agents and employees to any and all areas within the Caroline Street parking lot.

- o. Premiere Racing, Inc. agrees to help monitor trash disposal and will make all reasonable efforts to aid correcting abuses by identifying and communicating with participants whom are deemed to be in non-compliance. Premier Racing will pay the Key West Bight \$1,500 per year for trash disposal during Race Week. Payment shall be made no later then January 15<sup>th</sup> of each year during the term of the Agreement.
- p. Premiere Racing, Inc. agrees to inform all race boats at Sunday's Skipper's meeting and make all reasonable efforts to aid in further communicating the requirement to non-complying boats that have been identified by CRA.
- q. Representatives of the CRA and Premiere Racing, Inc. agree to walk through the Historic Seaport premises and Caroline Street parking lot each year, once before and once after the event to confirm the exact condition of said the premises and parking lot. If Premiere Racing, Inc. faithfully performs the lease obligations and all required repairs to damage, if any, then the security deposits referenced in paragraph 3(o) will be returned to Premiere Racing, Inc. without interest, within (7) days of the conclusion of each Race Week. In the event Premiere Racing, Inc. fails to make all repairs as determined necessary by the CRA, to the satisfaction of the CRA, the CRA will apply the pertinent security deposit to the cost of the repairs of the actual damages. Premiere Racing, Inc. shall remain liable for any additional amounts required for such repairs.
- r. Premiere Racing agrees, due to the selling/consumption of alcoholic beverages on City Property, to hire an off-duty police officer(s) for crowd control and safety as determined by the Key West Police Department or City Manager's Office. Premier Racing agrees to provide liquor liability insurance.
- s. If Premiere racing wishes to have an exemption from the City's noise control ordinance, Premier Racing must fill out an application through the City Manager's office thirty days before the event.

5. **Covenants of the CRA**

- a. Access shall be provided to the CRA's entire Caroline Street Parking Lot, with the exception of any spaces under lease to other CRA tenants, for thirteen days, from the Tuesday morning prior to the event through the Sunday morning following the event, in order to locate a 100' by 140' tent with an outside sponsor pavilion area, port-a-johns, ice machines, support trucks and vans, and parking of official Race Week vehicles (with the appropriate electric and phone capability, for which Premiere Racing Inc. will be responsible for activation and usage charges.)
  
- b. Dock space and/or slips (with 50 amp power) will be provided for official Race Week support boats for a period of eight days from the Friday prior to Race Week through the Friday ending Race Week. Best efforts will be made to configure the committee boats in a similar configuration as used in the 2006 regatta. Minimum requirements include the following:
  1. VIP/race viewing yacht (80')
  2. International Jury Boat (75')
  3. Div. I Race Committee Boat (50')
  4. Div II Race Committee Boat (45')
  5. Div. III Race Committee Boat (45')
  6. Mark Boat (38')
  7. Three additional smaller Media and Mark Boats (22'-28')
  
- e. Five (5) slips for Premiere Racing, Inc. at the Historic Seaport for foreign racing boats or high profile entries for ten days, from the Thursday prior to the event through the Sunday following the event. Premiere Racing, Inc. will pay for these slips in advance.

Premiere Racing, Inc. #1 50' LOA/15' beam/11' draft  
Premiere Racing, Inc. #2 50' LOA/15' beam/11' draft  
Premiere Racing, Inc. #3 45' LOA/14' beam/9'6''' draft  
Premiere Racing, Inc. #4 40' LOA/12' beam/8'6''' draft  
Premiere Racing, Inc. #5 40' LOA/12' beam/8'6''' draft

- f. Race Week will have official sponsors and suppliers that are critical to the financial viability of Race Week. As such, these companies will be granted exclusivity for on-site promotions and in certain cases merchandising for their product category (so long as no Historic Seaport business already sells such merchandise). Premiere Racing, Inc. will keep the Historic Seaport Manager apprised of all event sponsors and suppliers as they are signed and the relevant issues in their agreements pertaining to site exclusivity. The CRA and Historic Seaport businesses will make best efforts to ensure there are no conflicts of interest with official Race Week sponsors and suppliers on site. Historic Seaport businesses are not to host promotional events targeted at Race Week participants during or just prior to the two-hour evening awards reception under the Race Week tent (6:00-8:00 p.m.) or sell Race Week-related merchandise.
- g. The CRA will reserve Historic Seaport Marina slips and dock space for racing yachts for a ten-day period from the Thursday prior to Race Week to the Sunday following the event.
- h. The CRA will use its best efforts to assist Premiere Racing Inc. in identifying and securing an alternate location similar to the current operation at the Truman Waterfront in the event the Navy determines not to allow use of its facilities in the future.
- i. The CRA agrees to allow the selling/consumption of alcoholic beverages at the CRA's Caroline Street parking lot for the sole purpose of dispensing alcoholic and other beverages as a fundraiser, on a non-profit basis, in conjunction with Race Week. The CRA encourages use of the proceeds to be used toward projects at the Key West Bight. The CRA reserves the right to revoke this approval at any time with cause and require Premiere Racing, Inc. to appear before the CRA on a year-to year basis, during the term of this agreement, to be granted approval for the selling/consumption of alcoholic beverages during Race Week.

6. **Indemnification.**

Premiere Racing, Inc. agrees to keep and save the CRA and the City of Key West forever harmless from any penalty or damage or charges imposed for any



violation of any laws or ordinances, resulting from Premiere Racing, Inc.'s negligence. Premiere Racing, Inc. further agrees to indemnify and save harmless the CRA or the City of Key West, their officers, employees, and agents from all actions, claims, penalties, and judgments for damages at law or equity of any nature whatsoever arising, or alleged to arise out of Premiere Racing, Inc.'s negligence while in the course of the management of Race Week or in the exercise of rights or obligations conferred by this Agreement. Premiere Racing, Inc. shall defend the CRA or the City of Key West, and shall pay all reasonable expenses incurred by the CRA or the City of Key West in defending themselves, with regard to all damages and penalties the CRA or the City of Key West may legally be required to pay as a result of the negligence of Premiere Racing, Inc. as aforesaid. Expenses shall include all incidental reasonable expenses including attorney fees, and shall include a reasonable value of any services rendered by the Office of the City Attorney. This covenant shall survive the expiration or termination of this Agreement.

7. **Insurance.**

Premiere Racing, Inc. agrees to provide at its expense comprehensive liability insurance insuring itself, the CRA and the City of Key West against all claims of damages or injury to persons or property arising for any reason out of Premiere Racing, Inc.'s management of Race Week and use of CRA or City of Key West property, or arising out of its activities related to this Agreement, or otherwise arising from its exercise of rights or failure to perform obligations to pursuant to this Agreement. The insurance policy shall be written by a solvent insurance company with an AM Best rating of at least A-/VI and fully licensed to do business in Florida and shall provide a minimum of \$1,000,000 coverage per occurrence combined single limit and property damage with a \$2,000,000 annual aggregate. The policy shall show the CRA and the City of Key West as additional named insured's, and shall provide that it cannot be cancelled or revoked expect after a minimum of thirty (30) days written notice to the CRA and the City of Key West. A true copy of the insurance contract shall be filed with the City Clerk within thirty (30) days after execution of this Agreement, and shall be maintained on file throughout the Agreement term. Premiere Racing, Inc.'s failure to maintain the insurance policy in full force and effect at any time during the term of this agreement shall be a default hereunder, and upon such default Premiere Racing, Inc. shall immediately suspend all operations with respect to the Historic

Seaport and shall provide to the CRA and the City of Key West written notice of default.

The insurance amount here provided shall not in any way operate to limit or release, or be construed to limit or release, Premiere Racing, Inc. from any liability to the CRA or the City of Key West, or from any obligation to indemnify the CRA or the City of Key West as provided herein. Such insurance is a minimum requirement, and shall be supplemented by Premiere Racing, Inc. as necessary to meet its obligations, and to indemnify the CRA and the City of Key West fully, as provided in this Agreement.

If Premiere Racing, Inc. falls under the State of Florida Workers' Compensation Law, workers' compensation coverage shall be for Statutory Limits in compliance with the applicable state and federal laws.

8. **Independent Contractor.**

Premiere Racing, Inc. is an independent contractor with respect to the CRA. No employee or agent of Premiere Racing, Inc. shall be entitled to the wages or benefits of an employee of the CRA or the City of Key West.

9. **Notice.**

All notices, demands, or other writings in this Agreement provided to be given or made or sent, or which may be given or made or sent, by either party to this Agreement to the other, shall be deemed to have been fully given or made or sent when made in writing and received by hand delivery or Certified mail with sufficient postage pre-paid thereon to carry it to its addressed destination and addressed as follows:

To CRA:

Raymond Archer  
Port Director  
P.O. Box 6434  
Key West, FL 33041-6434

To Premiere Racing, Inc.

Peter S. Craig  
Premiere Racing, Inc.  
67 B Front Street

Marblehead, MA 01945

The address to which any notice, demands, or other writing may be given or made or sent to any party mentioned above may be changed by written notice.

10. **Severability**

If any provision of this Agreement shall be held by a court of competent jurisdiction to be invalid or unenforceable, the remaining provisions shall not be impaired thereby, but such remaining provisions shall be interpreted and enforced so to achieve, as near as may be, the purpose of this Agreement to the extent permitted by law.

11. **Governing Law.**

This Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Florida.

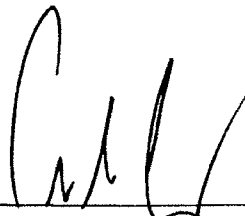
12. **Entire Agreement.**

This Agreement sets forth all the covenants, promises, agreements, and understandings between the CRA and Premiere Racing, Inc. No subsequent alteration, amendment, change, or addition to this Agreement shall be binding upon the CRA or Premiere Racing, Inc. unless reduced to writing and duly executed by both parties.

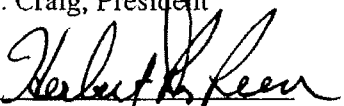
IN WITNESS WHEREOF, the parties have executed this Agreement on the date first written above.


PREMIERE RACING, INC.

CAROLINE STREET CORRIDOR AND  
BAHAMA VILLAGE COMMUNITY  
REDEVELOPMENT AGENCY

By:   
Peter S. Craig, President

By:   
Morgan McPherson, Chairman CRA

ATTEST:   
(add Name) Corporate Secretary

ATTEST:   
Cheryl Smith, City Clerk

