

CLEARWATER COMMUNITY SAILING CENTER MANAGEMENT AGREEMENT

THIS MANAGEMENT AGREEMENT entered into on this ____ day of August, 2020, by the City of Clearwater, Florida ("City") and Clearwater Community Sailing Association, Inc., ("Manager").

WHEREAS, the City owns the real property and improvements consisting of approximately 3,658 square feet, located at 1001 Gulf Boulevard, Clearwater, FL 33767, hereinafter referred to as the "Clearwater Community Sailing Center"; and two (2) additional tracts of land, all of which located in Clearwater, Florida. Such property is more particularly described in Exhibit A, attached hereto and incorporated by reference as part of this Agreement. Such property shall hereinafter be referred to as the "Premises"; and

WHEREAS, the Manager agrees to manage the Premises under the terms and conditions described in this Management Agreement; and

WHEREAS, the Parties have previously and continuously entered into agreements for the management of the Premises since 2002; and

WHEREAS, the Parties mutually desire to enter into a new agreement for the management of the Premises; and

NOW, THEREFORE, the Parties hereto agree that the above terms, recitals, and representations are true and accurate and are incorporated herein by reference, and the Parties further agree as follows:

1. MANAGEMENT TERM

The term of this Agreement shall begin on August 1, 2020 and end on February 29, 2024. This Agreement shall supersede all prior management agreements. Since March 1, 2019, the Parties have been operating on a month-to-month basis in accordance with the terms and conditions of the previous Management Agreement (Term: March 1, 2014 thru February 28, 2019). The Parties hereby accept, acknowledge, and agree to be bound by the terms and conditions of that previous Management Agreement (Term: March 1, 2014 thru February 28, 2019), from March 1, 2019 until July 31, 2020.

The City, in addition to any other right of termination as set forth herein, may terminate this Management Agreement for any municipal need as determined by the City Council, by providing sixty (60) days written notice.

Notwithstanding any provision to the contrary, in the event the Parties have not memorialized in writing the renewal or termination of this Management Agreement prior to the expiration date, this Management Agreement shall continue on a month-to-month basis in

accordance with the existing terms and conditions, until such time as this Management Agreement is renewed or terminated in writing as provided for herein.

2. RENT.

Base rent: Manager agrees to pay the City as rent during the initial term of this Agreement the sum of seventeen thousand five hundred eleven dollars and ninety-six cents (\$17,511.96) annually, payable in equal monthly installments of one thousand four hundred fifty-nine dollars and thirty-three cents (\$1,459.33) per month, and payable in advance at the beginning of each successive monthly rental period. A consumer price index (CPI) increase will be added to the rent payment on March 1st of each year of this Agreement. The increase will be based on the Consumer Price Index for all Urban Consumers (CPI-U) South Urban area, for the twelve-month period ending December 31st. Additionally, Manager shall pay sales tax on all taxable collected payments. Manager shall pay rent and any additional rent as hereinafter provided to City at such place as City may designate in writing, without demand and without counterclaim, deduction or setoff.

3. USE OF PREMISES

The Premises, as described in Exhibit A, are to be used by Manager solely for the purposes and in the manner set forth in the business plan (Exhibit C), which is attached hereto and incorporated by reference, subject to the City's reserved right to issue "fishing" permits allowing holders thereof to use specifically identified areas of the managed premises for fishing, subject to reasonable rules and regulations established by manager and approved by City. No other use of the Premises is allowed without the written consent of the City.

4. UTILITIES

Water, sewer, electric and all other utilities of any kind shall be billed directly to Manager and are or shall be individually metered for the subject premises. All deposits for such utilities shall be the sole responsibility of Manager.

5. BUILDING AND COMMON AREA MAINTENANCE AND PROPERTY TAXES

Manager shall be responsible for routine building maintenance. The routine maintenance of the Property's common areas, such as but not limited to, hallways, bathrooms, rental rooms, offices, etc., shall be the responsibility of Manager. If Manager fails to maintain the Property's common areas in a satisfactory manner, seven (7) calendar days after the City has provided Manager written notice of the City's dissatisfaction with the Property's common area maintenance, and if the maintenance of the common areas has not improved to standard amenable solely to the City within the seven (7) calendar days after receipt of such notice, then at the City's sole discretion, the City may procure maintenance services for such common areas on

Manager's behalf. The cost of which, shall be the responsibility of Manager. The Manager is responsible for paying the property taxes if applicable.

6. OBSERVANCE OF LAWS AND ORDINANCES

Manager agrees to observe, comply with and execute promptly at its expense during the term hereof, all laws, rules, requirements, orders, directives, codes, ordinances and regulations of governmental authorities and agencies and of insurance carriers which relate to its use or occupancy of the Premises.

7. ASSIGNMENT OR SUBAGREEMENT

Manager shall not, without first obtaining the written consent of City, assign, mortgage, pledge, or encumber this Agreement, in whole, or in part, or sublet the premises or any part thereof. The City expressly covenants that such consent to sublet shall not be unreasonably or arbitrarily refused. This covenant shall be binding on the legal representatives of Manager, and on every person to whom Manager's interest under this Agreement passes by operation of law, but it shall not apply to an assignment or subletting to the parent or subsidiary of a corporate manager or to a transfer of the agreement hold interest occasioned by a consolidation or merger involving such manager. If the Premises are sublet or occupied by anyone other than Manager, and Manager is in default hereunder, or if this Management Agreement is assigned by the Manager, the City may collect rent from the assignee, subtenant, or occupant, and apply the net amount collected to the rent herein reserved. No such collection shall be deemed a waiver of the covenant herein against assignment and subletting, or the acceptance of such assignee, subtenant, or occupant as manager, or a release of manager from further performance of the covenants herein contained.

8. ALTERATIONS AND IMPROVEMENTS

Manager shall not make any structural alterations or modifications or improvements which are part of the managed property without the written consent of the City, and any such modifications or additions to said property shall become the property of the City upon the termination of this Agreement or, at City's option, the Manager shall restore the managed property at Manager's expense to its original condition. The restrictions of this paragraph shall not apply to maintenance of the managed property, but shall apply to any change which changes the architecture or purpose of the property or which changes any of the interior walls of the improvements or which annexes a fixture to any part of the managed property which cannot be removed without damage thereto. In the event Manager desires to make any alterations or modifications, written notice shall be given to the City. Unless the City objects to such proposals by notice to Manager within twenty (20) days after written notice from Manager, the proposal shall be deemed approved. Manager shall have no power or authority to permit mechanic's or materialmen's liens to be placed upon the managed property in connection with maintenance, alterations or modifications. Manager

shall, within fifteen (15) days after notice from City, discharge any mechanic's liens for materials or labor claimed to have been furnished to the Premises on Manager's behalf. Not later than the last day of the term, Manager shall, at Manager's expense, remove all of Manager's personal property and those improvements made by Manager which have not become the property of City, including trade fixtures and the like. All property remaining on the Premises after the last day of the term of this Agreement shall be conclusively deemed abandoned and may be removed by City, and Manager shall reimburse City for the cost of such removal.

9. RISK OF LOSS

All personal property placed or moved in the Premises shall be at the risk of the Manager or owner thereof. The City shall not be responsible or liable to the Manager for any loss or damage that may be occasioned by or through the acts or omissions of persons occupying adjoining premises or any part of the premises adjacent to or connected with the premises hereby managed or any part of the building which the managed premises are a part of or any loss or damage resulting to the manager or its property from bursting, stopped up or leaking water, gas, sewer or steam pipes unless the same is due to the negligence of the City, its agents, servants or employees.

10. RIGHT OF ENTRY

The City, or any of its agents, shall have the right to enter said Premises during all reasonable hours, to examine the same to make such repairs, additions or alterations as may be deemed necessary for the safety, comfort, or preservation thereof, or of said building, or to exhibit said Premises. The right of entry shall likewise exist for the purpose of removing placards, signs, fixtures, alterations or additions, which do not conform to this Agreement.

11. RESTORING PREMISES TO ORIGINAL CONDITION

Except those repairs previously communicated by Manager to City, Manager represents that the premises managed are in good, sanitary and tenantable condition for use by Manager. Manager's acceptance or occupancy of the managed premises shall constitute recognition of such condition. Except for those repairs previously communicated, Manager hereby accepts the premises in the condition they are in at the beginning of this Agreement and agrees to maintain said premises in the same condition, order, and repair as they are at the commencement of said term, and to return the premises to their original condition at the expiration of the term, excepting only reasonable wear and tear arising from the use thereof under this Agreement. The Manager agrees to make good to said City immediately upon demand, any damage to water apparatus, or electric lights or any fixture, appliances or appurtenances of said premises, or of the walls or the building caused by any act or neglect of Manager or of any person or persons in the employ or under the control of the Manager.

12. INSURANCE

Manager agrees to comply with all terms, provisions and requirements contained in Exhibit "B" attached hereto and made a part hereof as if said document were fully set forth at length herein.

13. MAINTENANCE

City shall keep the foundation, outer walls, roof and buried conduits of the premises, including existing buildings, piers, and docks in good repair, except that the City shall not be called on to make any such repairs occasioned by the negligence of the Manager, its agents, express or implied invitees, or employees. City shall maintain the city owned property outside the fence from the sailing center building up to the bridge, while the Manager will be responsible for the upkeep of the property within the fenced in area. Manager shall keep the inside of said premises and the interior doors, windows and window frames of said premises in good order, condition and repair and shall also keep the premises in a clean, sanitary and safe condition in accordance with law and in accordance with all directions, rules and regulations of governmental agencies having jurisdiction. Manager shall be responsible for providing all light bulbs used on the premises. The plumbing facilities shall not be used for any other purposes than that for which they are constructed and no foreign substances of any kind shall be thrown therein, and the expense of any breakage, stoppage or damage resulting from the violation of this provision shall be borne by the Manager. Routine maintenance of the heating and air conditioning system and plumbing facilities shall be under the control of the Manager, and Manager agrees that all routine operation, upkeep, and repairs will be at Manager's expense, except where the repairs shall be caused by the negligence or misuse by City or its employees, agents, invitees, or licensees, or by catastrophic failure, or in the event of expected life cycle replacement. In the event City pays any monies required to be paid by Manager hereunder, City shall demand repayment of same from the Manager and the Manager shall make payment within ten (10) days of receipt of said demand. Manager's failure to make such repayment within the ten (10) day period shall constitute default under the terms of this Agreement.

City will assume responsibility for life cycle replacement of the heating/air-conditioning system, provided routine monthly maintenance has been performed.

City will assume responsibility for life cycle replacement of the elevator, provided routine monthly maintenance has been performed.

14. DESTRUCTION OF PREMISES

In the event that the building should be totally destroyed by fire, earthquake or other cause, to such an extent that it cannot be rebuilt or repaired within sixty (60) days after the date of such destruction, this Management Agreement shall be terminated. In the event that the

building should be partially damaged by fire, earthquake or other cause, but only to such an extent that it can be rebuilt or repaired within sixty (60) days after the date of such destruction, the Management Agreement shall be void or voidable, but not terminated, except as otherwise provided herein. If the City intends to rebuild or repair the premises, it shall, within fifteen (15) days after the date of such damage, give written notice to Manager of the intention to rebuild or repair and shall proceed with reasonable diligence to restore the building to substantially the same condition in which it was immediately prior to the destruction. However, City shall not be required to rebuild, repair or replace any improvements or alterations made by Manager within the building. During the period of rebuilding or repairing, there shall be no diminution of rents. If, after rebuilding or repairing has commenced, such rebuilding or repairing cannot be completed within sixty (60) days after the date of such partial destruction, the City may either terminate the agreement or continue with the agreement with a proportional rent rebate to Manager. If City undertakes to rebuild or repair, Manager shall, at its own expense, restore all work required to be done by such manager under this Agreement.

15. EMINENT DOMAIN

If the whole or any part of the premises hereby managed shall be taken by any public authority under power of eminent domain, then the term of this Management Agreement shall cease on the part so taken from the date title vests pursuant to such taking, and the rent and any additional rent shall be paid up to that day, and if such portion of the demised premises is so taken as to destroy the usefulness of the premises for the purpose for which the premises were managed, then from that day the Manager shall have the right to either terminate this Management Agreement or to continue in possession of the remainder of the same under the terms herein provided, except that the rent shall be reduced in proportion to the amount of the premises taken. The Parties agree that the Manager shall not be entitled to any damages by reason of the taking of this Agreement, or be entitled to any part of the award for such taking, or any payment in lieu thereof.

16. SUBORDINATION

This Agreement and the rights of the Manager hereunder are hereby made subject and subordinate to all bona fide mortgages now or hereafter placed upon the said premises by the City and any other owner provided, however, that such mortgages will not cover the equipment and furniture or furnishings on the premises owned by the Manager. The Manager further agrees to execute any instrument of subordination, which might be required by mortgagee of the City.

17. DEFAULT; REMEDIES

(a) The Manager further covenants that, if default shall be made in the payment of rent, or any additional rent, when due, or if the Manager shall violate any of the other covenants of this Agreement and fail to correct such default within fifteen (15) days after a written request by

the City to do so, then the City may, at its option, deem this Agreement terminated, accelerate all rents and future rents called for hereunder and Manager shall become a tenant at sufferance, and the City shall be entitled to obtain possession of the premises as provided by law.

(b) In case the managed property shall be abandoned, as such term is defined by Florida Statutes, the City, after written notice as provided by Florida Statutes to the Manager, City may (i) re-enter the premises as the agent of the manager, either by force or otherwise, without being liable to any prosecution or claim therefore, and may relet the managed property as the agent of the manager and receive the rent therefore and apply the same to the payment of such expenses as City may have incurred in connection with the recovery of possession, reduction, refurbishing or otherwise changing or preparing for reletting, including brokerage and reasonable attorney's fees. Thereafter, it shall be applied to the payment of damages in amounts equal to the rent hereunder and to the cost and expenses of performance of the other covenants of Manager as provided herein; or (ii) the City may, at its option, terminate this Agreement by giving the Manager fifteen (15) days' written notice of such intention served upon the Manager or left upon the managed property, and the term hereof shall absolutely expire and terminate immediately upon the expiration of said fifteen (15) day period, but the Manager shall nevertheless and thereafter be liable to the City for any deficiency between the rent due hereunder for the balance of the term of this Agreement and the rent actually received by City from the managed property for the balance of said term.

(c) The City, at its option, may terminate this Agreement as for a default upon the occurrence of any or all of the following events: an assignment by Manager for the benefit of creditors; or the filing of a voluntary or involuntary petition by or against Manager under any law for the purpose of adjudicating manager bankruptcy; or for reorganization, dissolution, or arrangement on account of or to prevent bankruptcy or insolvency; or the appointment of a receiver of the assets of Manager; or the bankruptcy of the Manager. Each of the foregoing events shall constitute a default by Manager and breach of this Agreement.

18. MISCELLANEOUS

(a) The City shall have the unrestricted right of assigning this Agreement at any time, and in the event of such assignment, the City shall be relieved of all liabilities hereunder.

(b) This contract shall bind the City and its assigns or successors, and the Manager and assigns and successors of the Manager.

(c) It is understood and agreed between the Parties hereto that time is of the essence of this Agreement and this applies to all terms and conditions contained herein.

(d) It is understood and agreed between the Parties hereto that written notice sent by certified or registered mail, or hand delivered to the Manager's office shall constitute sufficient

notice to the Manager, and written notice sent by certified or registered mail or hand delivered to the office of the City shall constitute sufficient notice to the City.

(e) The rights of the City under this Agreement shall be cumulative, and failure on the part of the City to exercise promptly any rights given hereunder shall not operate to forfeit any of the said rights.

(f) It is hereby understood and agreed that manager shall use no signs in connection with the premises hereunder, except inside the building, which signs shall be subject to the prior approval of the City. All signage must comply with City ordinances.

(g) It is understood that no representations or promises shall be binding on the Parties hereto except those representations and promises contained herein or in some future writing signed by the party making such representations or promises.

(h) It is hereby agreed that if any installment of rent or any other sum due from Manager is not received by City within five (5) days after such amount shall be due, Manager shall pay to City a late charge equal to five percent (5%) of such overdue amount. The City shall not be required to accept any rent not paid within five (5) days subsequent of the date when due absent the simultaneous payment of this late charge. The requirement for a late charge set out herein shall not be construed to create a curative period or a grace period for the timely payment of rent.

(i) Consumption of alcoholic beverages is to be confined to the fenced-in area of the Sailing Center, with appropriate signage and enforcement to prevent alcoholic beverages from being removed from the premises.

(j) The sale of alcoholic beverages must be in accordance with applicable City Code of Ordinances and Florida State law. Manager agrees to obtain all necessary permits in accordance with applicable City Code of Ordinances and Florida State law.

(k) The Manager shall submit an annual report of all operations, including but not limited to, number of classes held, number of participants served, number of members, programs conducted, races held, budget including expenses, revenue, and capital expenditures. The City reserves the right to require a certified public accountant audit at any time during the term of the lease.

19. SUBROGATION

The City and Manager agree that each will cause its policies of insurance for fire and extended coverage to be so endorsed as to waive any rights of subrogation which would be otherwise available to the insurance carriers, by reason of any loss or damage to the managed property or property of City. Each party shall look first to any insurance in its favor before making any claim against the other party. Nothing contained herein shall in any way be

considered or construed as a waiver or re-agreement by the City of any and all of the other covenants and conditions contained in this Agreement to be performed by the Manager.

20. PARKING SPACES

Manager shall have the right to use and control any and all non-metered legal parking spaces/areas on or about the managed premises subject to the needs of the City for special events deemed necessary for official city business. All metered parking spaces/areas are under the exclusive use and control of the City; provided, however, that the City will attempt to accommodate Manager for parking at metered parking spaces/areas during Manager's special events and such accommodation will not be unreasonably withheld. The City agrees to cooperate with Manager in obtaining any and all permits for use and/or construction of parking spaces/areas within the bounds of the management agreement area. The City acknowledges the importance of the 56 non-metered parking spaces and the unpaved parking area between the non-metered and metered parking areas (the "CCSC Parking Space") to the successful operation of the Clearwater Community Sailing Center. The City agrees it will consult with Manager prior to proposing the conversion of any of CCSC Parking Space to metered spaces and the City will be accommodating and reasonable with respect to the needs of the Clearwater Sailing Center for non-metered parking spaces in any such proposal.

21. IDEMNIFICATION

The Manager shall act as an independent contractor and agrees to assume all risks of providing the program activities and services herein agreed and all liability thereof, and shall defend, indemnify, and hold harmless the City, its officers, agents, and employees from and against any and all claims of loss, liability, and damages of whatever nature, to persons and property, including, without limiting the generality of the foregoing, death of any person and loss of the use of any property, except claims arising from the negligence or willful misconduct of the City or City's agents or employees. This includes, but is not limited to, matters arising out of or claimed to have been caused by or in any manner related to the Manager's activities or those of any approved or unapproved invitee, contractor, subcontractor, or other person approved, authorized, or permitted by the Manager in or about its premises whether or not based on negligence. Nothing contained herein shall be construed as a waiver of any immunity from or limitation of liability the City may be entitled to under the doctrine of sovereign immunity or section 768.28, Florida Statutes.

Manager agrees to pay on behalf of the City, and to pay the cost of the City's legal defense, as may be selected by the City, for all claims described in this section. Such payment on behalf of the City shall be in addition to any and all other legal remedies available to the City and shall not be considered to be the City's exclusive remedy.

This section shall survive the termination of this Agreement.

22. "AS IS" CONDITION

The Manager accepts the managed premises on an "as is" basis, and City shall have no obligation to improve or remodel the managed premises, except as set forth above at paragraph 14.

23. CONSTRUCTIVE EVICTION

Manager shall not be entitled to claim a constructive eviction from the premises unless Manager shall have first notified City in writing of the condition or conditions giving rise thereto and, if the complaints be justified, unless City shall have failed within a reasonable time after receipt of such notice to remedy such conditions.

24. CLEAN UP EXPENSES

Extraordinary expenses for cleanup or trash removal for major regattas or non-routine functions shall be the expense of the Manager.

25. SEVERANCE

The invalidity or unenforceability of any portion of this Agreement shall in nowise affect the remaining provisions and portions hereof.

26. CAPTIONS

The paragraph captions used throughout this Agreement are for the purpose of reference only and are not to be considered in the construction of this Agreement or in the interpretation of the rights or obligations of the parties hereto.

27. NO HAZARDOUS MATERIALS

The Manager herewith covenants and agrees that no hazardous materials, hazardous waste, or other hazardous substances will be used, handled, stored or otherwise placed upon the property or, in the alternative, that such materials, wastes or substances may be located on the property, only upon the prior written consent of the City hereunder, and only in strict accord and compliance with any and all applicable state and federal laws and ordinances. In the event such materials are utilized, handled, stored or otherwise placed upon the property, manager expressly herewith agrees to indemnify and hold City harmless from any and all costs incurred by City or damages as may be assessed against City in connection with or otherwise relating to said hazardous materials, wastes or substances at any time, without regard to the term of this Agreement. This provision shall specifically survive the termination hereof.

28. CONFORMANCE WITH LAWS

Manager agrees to comply with all applicable federal, state and local laws during the life of this Agreement. Manager agrees to obtain all necessary permits in accordance with applicable City Code of Ordinances and Florida State law.

29. ATTORNEY'S FEES

In the event that either party seeks to enforce this Agreement through attorneys at law, then the parties agree that each party shall bear its own attorney fees and costs.

30. GOVERNING LAW

The laws of the State of Florida shall govern this Agreement, and any action brought by either party shall lie in Pinellas County, Florida.

31. RADON GAS

The following notice is given to comply with Section 404.056(5), Florida Statutes: Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit.

32. FORCE MAJEURE

This Agreement and the obligation of Manager to pay rent and additional rent hereunder and to perform all of the other covenants and agreements hereunder on part of Manager to be performed shall not be affected, impaired or excused because City is unable or delayed in supplying any service, or is unable to make or is delayed in making any repairs, additions, alterations or decorations, or is unable to supply or is delayed in supplying any equipment or fixtures, if City is prevented or delayed from so doing by reason of a strike or labor trouble, or governmental preemption in connection with a National Emergency or in connection with any rule, order or regulation of any department or subdivision thereof or of any governmental agency, or by reason of the condition of supply and demand which have been or are affected by war or other emergency, or by any Act of God or other condition beyond the control of City.

33. PUBLIC RECORDS.

This Agreement is subject to the Public Records Law of the State of Florida, including Chapter 119, Florida Statutes. Manager agrees and acknowledges that any books, documents, records, correspondence or other information kept or obtained by City, or furnished by Manager to City, in connection with this Agreement or the services contemplated herein, and any related records, are public records subject to inspection and copying by members of the public pursuant

to applicable public records law, including Chapter 119, Florida Statutes. City may terminate this Agreement at any time for Manager's refusal to allow public access to all documents, papers, letters, materials subject to the provisions of Chapter 119, Florida Statutes, and made or received by either party in conjunction with this Agreement.

IN WITNESS WHEREOF, the City and Manager have caused this instrument to be signed by their respective duly authorized officers and dated below.

Clearwater Community Sailing Association, Inc.

By: _____

Print Name: _____

Title: _____

Date: _____

Countersigned:

CITY OF CLEARWATER, FLORIDA

Frank Hibbard
Mayor

William B. Horne II
City Manager

Date: _____

Approved as to form:

Attest:

Owen Kohler
Assistant City Attorney

Rosemarie Call
City Clerk

EXHIBIT A

CLEARWATER COMMUNITY SAILING CENTER:

Commence at the Southwest corner of SECTION 17, TOWNSHIP 29 SOUTH, RANGE 15 EAST, run N.89°10'31"E., 843.47 feet; thence run N.42°13'31" E., 886.07 feet; thence run S.47°46'29"E., 50.00 feet to the Point of Beginning; thence run N.42°13'31"E., 630.00 feet; thence run S.47°46'29"E., 200.00 feet plus or minus to the Mean High Water Line of Clearwater Harbor; thence run along said Mean High Water Line to a Point, Said Point being the intersection of the Mean High Water Line and a Line having a Bearing of S.47°46'29"E., from the Point of Beginning; thence run N.47°46'29"W., 237.00 feet plus or minus to the Point of Beginning. ("Clearwater Community Sailing Center"). (Yellow shaded area "1" on aerial map.).

TWO (2) ADDITIONAL TRACTS OF LAND:

Commence at the Southwest Corner of Section 17, Township 29 South, Range 15 East; thence N89°10'31"E, along the South boundary of said section 17, a distance of 843.47 feet to the centerline of Gulf Boulevard; thence N42°13'31"E, along said centerline, a distance of 886.07 feet; thence leaving said centerline S47°46'29"E, 50.00 feet, to the Easterly Right-of-Way line of Gulf Boulevard; thence N42°13'31"E, along said Easterly Right-of-Way line, a distance of 630.00 feet, to the Point of Beginning; thence continue N42°13'13"E, along said Easterly Right-of-Way line, a distance of 100 feet; thence leaving said Easterly Right-of-Way, S47°46'29"E, to the Mean High Water Line of Clearwater Harbor; thence along said Mean High Water Line to a point on a line lying S.47°46'29"E. of the Point of Beginning; thence N.47°46'29"W., along said line, to the Point of Beginning. (Yellow shaded area "2" on aerial map.).

Commence at the Southwest corner of Section 17, Township 29 South, Range 15 East; thence N89°10'31"E along the South boundary of said Section 17, a distance of 843.47 feet to a point of intersection with the centerline of Gulf Boulevard Right-of-Way; thence N42°13'31"E along the centerline of said Right-of-Way a distance of 1983.25 feet to a point of curvature; thence along a curve to the left, said curve also being the centerline of the said Right-of-Way, having a chord bearing of N34°49'43"E, a radius of 1909.86 feet, a central angle of 14°47'32", an arc length of 493.07 feet, and a chord length of 491.71 feet to the Point of Beginning; thence N57°35'40"W along a non-radial line a distance of 50.19 feet to the point of cusp, of a non - tangent curve, said point also being on the west Right-of-Way line of Gulf Boulevard; thence along a curve to the left, said curve also being the said west Right-of-Way line of chord bearing of N25°58'24"E, a radius of 1859.86 feet, a central angle of 2°38'32", an arc length of 85.77 feet, and a chord length of 85.76 feet; thence S61°44'07"E along a non-radial line a distance of 137.96 feet; thence S25°51'33"W a distance of 95.81 feet; thence N57°35'40"W along a non-radial line a distance of 88.73 feet to the aforementioned Point of Beginning. (Yellow shaded area "3" on aerial map.).

AERIAL MAP



2020 Sailing Center Management Agreement



Prepared by:
Engineering Department
Geographic Technology Division
100 S. Myrtle Ave, Clearwater, FL 33756
Ph: (727)562-4750, Fax: (727)526-4755
www.MyClearwater.com

Grid #: **269B**

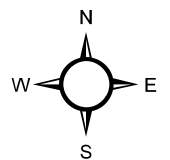
S-T-R: **10-29s-15e**

Map Gen By: **CRM**

Reviewed By: **TM**

Date: **7/17/2020**

Page: **2 of 2**



Scale: **N.T.S.**

EXHIBIT B

INSURANCE AND RISK OF LOSS

LOSS CONTROL/SAFETY

Precaution shall be exercised at all times by Manager for the protection of all persons, including employees, and property. Manager shall be expected to comply with all laws, regulations or ordinances related to safety and health and shall make special effort to detect hazardous conditions and shall take prompt action where loss control/safety measures should reasonably be expected.

The City may order work to be stopped if conditions exist that present immediate danger to persons or property. Manager acknowledges that such stoppage will not shift responsibility for any damages from Manager to the City.

BASIC COVERAGES REQUIRED

Manager shall procure and maintain the following described insurance, except for coverage specifically waived by the City, on policies and with insurers acceptable to the City.

These insurance requirements shall not limit the liability of Manager. The City does not represent these types or amounts of insurance to be sufficient or adequate to protect Manager's interests or liabilities but are merely minimums.

Such coverages shall protect Manager from claims for damages for personal injury, including accidental death, as well as any party directly or indirectly employed by Manager.

Except for workers' compensation and professional liability, Manager's insurance policies shall be endorsed to name the City as an additional insured to the extent of the City's interests arising from this Agreement.

Except for workers' compensation, Manager waives its right of recovery against the City, to the extent permitted by its insurance policies.

Manager's deductibles/self-insured retentions shall be disclosed to the City and may be disapproved by the City. They shall be reduced or eliminated at the option of the City. Manager is responsible for the amount of any deductible or self-insured retention.

Insurance required of Manager or any other insurance of Manager shall be considered primary, and insurance of the City shall be considered excess, as may be applicable to claims which arise out of the Hold Harmless, Payment on Behalf of City, Insurance, Certificates of Insurance and any Additional Insurance provisions of this Agreement. Where no specific limit of coverage is mentioned in this Agreement, the minimum limit of insurance coverage required by the City shall be \$1,000,000.

Workers Compensation Coverage

Manager shall purchase and maintain statutory workers compensation insurance for all workers compensation obligations imposed by state law and employer's liability limits of at least \$100,000 each accident and \$100,000 each employee/\$500,000 policy limit for disease.

Manager shall also purchase any other coverage required by law for the benefit of employees.

General, Automobile, and Excess or Umbrella Liability Coverage

Manager shall purchase and maintain coverage on forms no more restrictive than the latest editions of the Commercial General Liability and Business Auto policies of the Insurance Services Office.

Minimum limits of \$500,000 per occurrence for all liability must be provided, with excess or umbrella insurance making up the difference, if any, between the policy limits of underlying policies and the total amount of coverage required.

Commercial General Liability Coverage – Occurrence Form Required

Coverage A shall include bodily injury and property damage liability for premises, operations, products and completed operations, independent contractors, contractual liability, and liquor liability covering this Agreement, broad form property damage, and property damage resulting from explosion collapse or underground (x, c, u) exposures.

Coverage B shall include personal injury.

Coverage C, medical payments, is not required.

Manager is required to continue to purchase products and completed operations coverage, at least to satisfy this Agreement, for a minimum of three (3) years beyond the City's acceptance of any renovation or construction projects.

Minimum limits of \$500,000 per occurrence for all liability must be provided, with excess or umbrella insurance making up the difference, if any, between the policy limits of underlying policies and the total amount of coverage required.

Business Auto Liability Coverage

Business Auto Liability coverage is to include bodily injury and property damage arising out of ownership, maintenance or use of any auto, including owned, non-owned and hired automobiles and employee non-ownership use.

Excess or Umbrella Liability Coverage

Umbrella Liability insurance is preferred, but an Excess Liability equivalent may be allowed. Whichever type of coverage is provided, it shall not be more restrictive than the underlying insurance policy coverage. Excess or Umbrella Liability insurance shall include bodily injury and property damage coverage.

Manager shall purchase and maintain Excess or Umbrella Liability coverage over and above its other liability coverage in the amount of \$500,000.

Property Coverage for Premises

The City shall maintain for the life of the Agreement, all risk/special perils (including sinkhole) property insurance (or its equivalent) to cover loss resulting from damage to or destruction of the Premises and its improvements, and any attached personal property or contents belonging to the City. The City, at its option, may self-insure this exposure.

Flood Insurance

City shall procure and maintain flood insurance either for the insured value of any buildings or structures located on the managed premises or the maximum amount of flood insurance available through the National Flood Insurance Program.

EVIDENCE/CERTIFICATES OF INSURANCE

Required insurance shall be documented in Certificates of Insurance that provide that the City shall be notified in advance of cancellation, non-renewal or adverse change.

New Certificates of Insurance are to be provided to the City at least 15 days prior to coverage renewals.

If requested by the City, Manager shall furnish complete copies of Manager's insurance policies, forms and endorsements.

For Commercial General Liability coverage, Manager shall, at the option of the City, provide an indication of the amount of claims payments or reserves chargeable to the aggregate amount of liability coverage.

Receipt of certificates or other documentation of insurance or policies or copies of policies by the City, or by any of its representatives, which indicate less coverage than required does not constitute a waiver of Manager's obligation to fulfill the insurance requirements herein.



**Business Plan
2020-2024**

Summary

The Clearwater Community Sailing Center is seeing the reality of becoming the area's, if not the state's, premier waterfront facility. CCSC has used sailing as its foundation and has expanded its programs into other areas of non-motorized boating and other water sport activities. The location of the center with the protected harbor and access to the Gulf makes it a desirable location for all skill levels, from beginner to highly skilled competitors. It is an ideal area for regattas and local competitive training facility for Olympic class sailors. By continuing to expand our programs and partner with other organizations, our reputation as a desired watersports venue will continue to grow. With that growth we will be able to serve our local community with greater impact, with more versatility, and maintain financial health and sustainability.

Mission Statement

The Mission of the Clearwater Community Sailing Center is to provide safe, enriching and affordable sailing opportunities to local residents and visitors, including youth, seniors and the disabled for the enjoyment and benefit of our entire community.

Vision

CCSC will become the premier non-motorized waterfront facility, offering sailing, kayaking, paddling and other environmentally friendly aquatic activities and programs that promote water safety and education; as well as being the home port for various clubs and organizations as well as the continuation of hosting events promoting water sports.

Values

- Committed to providing a physically and emotionally safe environment for all of our members and visitors.
- Believe and follow the principle of inclusion. We welcome and encourage everyone to participate in our activities regardless of age, gender, race, and creed, place of origin, financial status or physical ability.
- Promote respect and appreciation for one's self, others, society as a whole and the natural environment.
- Strive for continual improvement of individuals, and organizations. The CCSC recognizes that this can be facilitated through healthy competition and the cooperation among various individuals and groups.
- Promote the development of Sportsmanship.

Background

Years ago, local sailors flocked to the beach at Sand Key to launch boats off the sandy area where today stands the CCSC. It was due to the combined efforts of many local sailors from individuals, Clearwater Yacht Club (CYC) and Windjammers of Clearwater (WJOC) that the site was saved from becoming a parking lot and transformed it into one of the finest sailing facilities in the United States. In 1991, the current facility was built and operated by the City of Clearwater as a recreational facility, originally falling under the Marine & Aviation Department and currently under the Parks & Recreation Department. In 2002 the city partnered with Clearwater Community Sailing Association, a 501(c)3 non-profit organization, to take over the operations and programs at the facility. Under the management of CCSA expanded services, activities, usage and visibility of CCSC have provided a great deal of goodwill locally, nationally and internationally for our Clearwater Community. The reputation of the center continues to reflect positively on the city and surrounding area. CCSC continues to expand the versatility

of its services and programs in efforts to meet the needs of our local community as well as guests to the area.

Recent Accomplishments

CCSC is becoming recognized as a premier sailing venue in the southeast. In 2011 CCSC became a U.S. Sailing Community Sailing Sanctioned Center and assists as a co-host for US Sailing with Annual National Symposiums 2011 and 2013. We have recently been honored with a partnership with US Sailing as an Olympic / Paralympic Training Center, as well as a co-host of the 2016 World Championships for the Olympic 49er and 49erFX Class. In the past couple of years CCSC received a number of awards including 2012 Clearwater Regional Chamber, Small Non-Profit of the Year, Clearwater Beach Chamber 2013 Non-Profit of the Year. We also received US Sailings 2013 Outstanding Program for Disabled Sailors for our pilot special needs program for Autistic / Asperger's syndrome. CCSC , in conjunction with Sailability of Greater Tampa Bay, has hosted the Never Say Never Pirate Camp for limb different children from 2012-2020. The event brings over 40 children and their families each year. In 2018 CCSC hosted both the Kona World Championship and RS Feva World Championship.

Physical Site

The current site consists of a modern 2 story building with office, storage, and repair area. There are utility, toilet, and shower facilities as well as meeting rooms with an upper and lower deck and veranda. There are 3 stairways, and elevator for access to the second level. There are two fixed docks extending 162 feet into the harbor with floating platforms on each end with the northern dock being adaptable sailing accessible, and a 3-boat lift on the southern dock. The physical site includes all land from the edge of Gulf Boulevard to the water edge and from the property line of the Marriott at the south end to the north storage pen at the base of Sand Key Bridge. Other storage areas include the property under the south side of Sand Key Bridge to the County Park property line.

Boat Storage

The main yard is used for the center's fleet of boats. There is a north beach storage pen that is used to store members' boats and is a convenient launching site for the smaller craft. Storage is provided for a nominal fee and the rate is adjusted to size of boat. Other storage is provided on a short-term basis for events and regattas. Storage areas are also utilized by our Corporate Members / Partners and may be included in their agreements.

Fleet

CCSC has both entry-level and intermediate sailing vessels, as well windsurfing gear, kayaks, and stand up paddleboards. With a versatile quantity of watercraft, we are able to provide our community with a variety of recreational options, as well as vessels for educational, instructional and community programs. CCSC also has 7 support Safety/Rescue power vessels.

Programs

Since 2005, over 5000 youth from ages 5 – 17 have attended CCSC summer and out of school camps. On a 4-year average approximately 430 children attend the ten weeks of summer sailing camp each year. On the same average, more than 1500 adults from 17-80 annually take some form of sailing instruction at CCSC. Our students have been of all abilities, and economic backgrounds. Sailors from across the U.S. and around the globe continue to participate each year in regattas sailed out of CCSC. CCSC continues to expand on various programs for youth and adult. Our facility provides a variety of services and programs for our local community. Watercolor and yoga classes are also offered at the facility and geared toward

our senior population. Local civic associations and Condo Associations such as Sand Key Civic Association use CCSC for their monthly and annual meetings. CCSC is also host to numerous wedding receptions and events for local area residents.

Special Needs Programs

CCSC provides special needs programs through our own staff and partnership with other organizations. CCSC provides programming for those Physically Challenged Sailors through its partnership with Sailability of Greater Tampa Bay (SGTB), a not for profit 501(c)3. SGTB partnered with CCSC in 2002 and provides adaptable sailing with its fleet of accessible dinghies. SGTB provides sailing instruction and training for the Special Olympics and CCSC is a Special Olympic sanctioned training center through SGTB. There are a number of community programs that are hosted by SGTB and CCSC including Shriners Hospital, Boys and Girls Clubs of Tampa Bay, The Florida Sheriff's Youth Ranch, Wounded Warriors, Veterans from local VA as well Never Say Never Pirate Camp. These are just a few of the many that are serviced through SGTB and CCSC's partnership.

Volunteers

Volunteers – Our membership base has provided thousands of volunteer hours that have helped support the Sailing Center's mission. Volunteers perform such varied tasks as yard and beach clean-up, vessel repair, assisting instructors in group instruction and on the water lookout during Sailability Community Sails and other CCSC events. Volunteers are also necessary for fundraising, event organization and implementation.

Membership

CCSC's membership has grown considerably since the approximate membership of 25 in 2002. Since 2011, we have averaged around 300 annual memberships per year, both individual and family. CCSC continues to expand on its other part time memberships including daily, 2 Day Resort as well as Seasonal. CCSC successfully reaches the full spectrum of today's society. We serve ages from 5 to seniors, both able bodied and special needs sailors including physically, emotionally or financially challenged. Geographically, approximately 75% of our clients live in Clearwater, St. Petersburg, or Tampa and the surrounding areas. The remainder is both domestic and international visitors. Many are repeat customers who return year after year with the sailing center as one of the attractions that brings them back to Clearwater.

Supporting Organizations

CCSC enjoys both volunteer and economic support from a number of organizations. Tampa Bay Charities, Inc., Sand Key Civic Association, Clearwater Yacht Club, Clearwater Beach Rotary, and Paralyzed Veterans Association just to name a few. We also receive support from other groups and individuals. CCSC has received over \$130,000.00 in financial support over the last 3 years.

Operations

CCSC operates as an all-inclusive, non-motorized vessel sailing facility. We provide memberships for local residents and visitors. CCSC also provides youth and adult programs and events. Aside from membership, CCSC provides rental use of equipment for daily guests and visitors. CCSC also provides a winter training home for national sailing organizations such as the Canadian Sailing Federation, Quebec Sailing and others. We also provide facility rentals for events. There are retail items for sale in the office.

Income Activities

CCSC is host to numerous programs and activities that provide income for the daily operations at the center.

- Membership
- Sailing Instruction
- Youth Programs
- Regattas
- Boat Storage
- Boat Rental (including windsurf gear, kayaks, standup paddle boards)
- Retail Sales
- Donations, grants and other sources of funding

Staffing and Hours of Operation

CCSC currently is staffed by 5 full-time employees. There are also numerous part-time and seasonal employees on staff as needed. Two full time employees are US Sailing Certified instructors of at least Level 2 or higher, that also includes First Aid and CPR training. The hours of operation are Tuesday to Sunday, 9-5, with Monday closed. Summer hours of operation are 9-6, 7 days a week. There is also additional staffing during facility rentals, often outside of normal business hours.

Pricing and Profitability

Pricing for fees, goods, and services are continually analyzed and adjusted to be competitive with other community sailing centers in the state. Periodic surveys will be taken to ensure CCSA's rates and fees are competitive and in alignment with other community sailing centers. We continue to look for additional opportunities to expand our present income streams

Goals

Each goal below will have its own objectives and strategic initiatives that will be developed to accomplish the goal. These goals will continue to make CCSC more viable and financially sustainable. With the ever-increasing effort and dedication being made, CCSC will continue to fill its mission and build upon its vision for the benefit of our entire community.

- I. Financial growth and sustainability
 - A. Develop Board responsibilities for financial growth
 - 1. Progressive Board growth
 - a. Strategic and diverse board membership
 - b. Strong community connected members
 - 2. Strategize growth potential according to mission
 - a. Determining short- and long-term objectives
 - b. Redefining / update of mission
 - c. Evaluating and addressing potential mission drift
 - 3. Organization priorities and consistency
 - a. Identify organizational priorities
 - b. Consistent management and support
 - 4. Fundraising Committee
 - a. Develop a Strategic Fundraising Plan
 - b. Incorporate Innovative Fundraising Techniques
 - c. Board levels of involvement
 - d. Fundraising responsibility
 - B. Analyze current programs and services
 - 1. Determine effectiveness /efficiency of current programs / contributions
 - a. Community programs
 - b. Membership programs
 - c. Partnership programs
 - 2. Determine effectiveness / efficiency of current services
 - a. Membership
 - b. Instruction
 - c. Boat rental
 - d. Facility rental
 - e. Storage
 - f. Retail sales
 - C. Increase current program participation levels
 - 1. Review current program organization and implementation
 - a. Improve program management strategy
 - b. Develop a plan of desired program paths, competitive/non-competitive
 - c. Develop needed continuing education programs and modules
 - 2. Review current program marketing
 - a. Analyze and target demographically
 - b. Review current marketing and improve strategies
 - c. Utilize available marketing resources

- D. Continued expansion of programs, activities, and events
 - 1. Broaden scope of base programs
 - a. Wider variety of sailing programs
 - i. Diverse youth programs, competitive / non-competitive
 - ii. Diverse adult programs, competitive / non- competitive
 - iii. Scheduled programs and instruction
 - b. Wider variety of paddling programs
 - i. Increased stand up paddling programs
 - ii. Introduce kayak instruction program
 - iii. Continue partnership program for outrigger paddling
 - 2. Continue Promotion of water safety educational programs
 - a. Community Safety Education
 - b. Sailing and boating safety education
 - i. US Sailing
 - c. Marine environment education
 - i. Partnership with local existing programs
 - ii. Develop environmental program
 - 3. Promote aquatic educational opportunities to educational facilities
 - a. Private schools
 - b. Local colleges for accreditation
 - 4. Promote, increase host events and regattas
 - a. Increase level of regattas
 - i. Continued CYC partnership to host regattas
 - ii. Provide race official instruction
 - iii. Increase local fun racing
 - b. Offer other water sporting events
 - i. Paddle racing
 - ii. Kayak outings
 - 5. Attract grants and donations through programs offered
 - 6. Continued facility rental opportunities
 - 7. Expand retail product and sales
- II. Continued cooperative effort with local business, civic and community organizations to further the development
 - A. Provide Corporate memberships for area businesses
 - B. Develop sponsorships to support various programs
 - C. Continue to develop the committees that support the operational and safety at CCSC
 - D. Continue to develop CCSC volunteer programs
- III. Improved Marketing and Advertising
 - A. Review current advertising and marketing efforts
 - B. Market Research
 - 1. Industry trends
 - a. Local, state, national
 - 2. Customer base target segmenting
 - a. Existing Customers
 - b. Potential Customers
 - 3. Competition
 - a. Local, state market competition

- i. Membership
 - ii. Services
 - C. Develop marketing strategy
 - 1. Objectives
 - a. Membership
 - b. Services
 - c. Fundraising / Sponsorship
 - 2. Marketing Budget
 - a. Percentage of previous sales by target objective
 - b. Annual set amount
 - 3. Determination of Media
 - a. Print
 - b. TV/Radio
 - c. Web / Social Medias
- IV. Long-term Ambitions
 - A. Increase meeting and classroom space
 - B. Increase vessel and gear storage facilities
 - C. Continued fleet asset capitalization
 - D. Continued building and aesthetic upgrades
 - E. Increase retail inventory / services
 - F. Continued focus on new program development

Financial History and Five-Year Projections

The historical data collected in the table below is used to provide the upcoming five-year projections. The projections are based on the current state of the economy and the fluctuating net income. The net income does not have an increasing/decreasing pattern in revenues, therefore the baseline for the next five year projections are taken from the average income over the past five years (FY 2009 through FY 2013) with a projected a 5 percent income increase and 5 percent expense increase over each year.

	Actuals			Budget	Forecast				
	FY 2017A	FY 2018A	FY 2019A	FY 2020B	FY 2021F	FY 2022F	FY 2023F	FY 2024F	FY 2025F
Revenue									
Donations	44,788	71,852	69,847	42,720	44,856	47,099	49,454	51,926	54,523
Youth Sailing Fund	10,882	555	1,138	1,140	1,197	1,257	1,320	1,386	1,455
Membership Dues	144,384	131,886	131,039	135,770	142,558	149,686	157,170	165,029	173,280
Boat Rental	33,768	31,335	34,629	33,244	34,906	36,651	38,484	40,408	42,429
Boat Storage	25,179	27,201	25,310	25,897	27,192	28,551	29,979	31,478	33,051
Facilities Rental	32,878	34,404	30,941	32,741	34,378	36,097	37,902	39,797	41,787
Retail	1,216	1,953	904	904	949	996	1,046	1,099	1,154
Summer Camp Fees	175,368	190,574	192,460	186,134	195,441	205,213	215,473	226,247	237,559
Sale of Assets	946	375	474	599	628	660	693	728	764
Regatta Income	30,841	27,875	55,820	38,179	40,088	42,092	44,197	46,407	48,727
Other Income	(521)	1,345	1,288	751	788	828	869	913	958
Total Revenue	499,730	519,356	543,850	498,077	522,981	549,130	576,587	605,416	635,687
Expenses									
Staff Expenses									
Wages and Salaries	258,301	252,154	260,299	267,752	281,140	295,197	309,957	325,454	341,727
Bonuses	4,100	2,500	2,810	2,808	2,948	3,096	3,251	3,413	3,584
Employee Taxes	20,858	20,550	20,943	20,943	21,991	23,090	24,245	25,457	26,730
Benefits	12,284	9,655	10,731	10,961	11,509	12,085	12,689	13,324	13,990
Travel and Entertainment (T&E)	822	2,291	2,274	2,604	2,734	2,871	3,014	3,165	3,323
Marketing	14,022	5,039	7,443	--	--	--	--	--	--
Boats and Equipment									
Power Boats	7,905	12,518	6,692	9,000	9,450	9,923	10,419	10,940	11,487
Fuel	4,554	4,280	4,365	4,380	4,599	4,829	5,070	5,324	5,590
Rental Boats	9,470	9,008	3,884	7,320	7,686	8,070	8,474	8,898	9,342
Tools & Equipment	3,580	5,534	3,707	4,200	4,410	4,631	4,862	5,105	5,360
Tractor / Tugs	732	1,441	2,121	1,440	1,512	1,588	1,667	1,750	1,838
Trailers	4,329	2,308	1,524	2,700	2,835	2,977	3,126	3,282	3,446
Youth Programs	3,180	7,297	2,326	4,200	4,410	4,631	4,862	5,105	5,360
Regatta Expenses	22,152	15,573	36,020	7,848	8,240	8,652	9,085	9,539	10,016
Maintenance	17,349	13,230	17,957	16,200	17,010	17,861	18,754	19,691	20,676
Summer Camp Expenses	4,970	8,160	6,254	6,402	6,722	7,058	7,411	7,781	8,170
Special Event Expenses	737	266	1,057	684	718	754	792	831	873
Rent	15,835	15,835	16,479	17,520	18,396	19,316	20,282	21,296	22,360
Utilities	22,278	23,757	25,406	26,028	27,329	28,696	30,131	31,637	33,219
Office Supplies	6,044	7,142	9,789	9,780	10,269	10,782	11,322	11,888	12,482
Insurance	32,495	32,397	33,203	34,033	35,735	37,521	39,397	41,367	43,436
Professional Fees	24,351	24,465	27,417	26,654	27,987	29,386	30,855	32,398	34,018
Dues and Subscriptions	2,052	1,250	1,055	1,055	1,108	1,163	1,221	1,282	1,346
Taxes	(122)	1,611	1,413	1,440	1,512	1,588	1,667	1,750	1,838
Other Expenses	2,607	3,002	196	2,785	2,924	3,070	3,224	3,385	3,554
Depreciation	62,610	58,690	58,690	59,997	62,997	66,146	69,454	72,927	76,573
Total Expense	557,495	539,954	564,057	548,734	576,171	604,980	635,229	666,990	700,340
Net Income	(57,764)	(20,599)	(20,206)	(50,657)	(50,657)	(50,657)	(50,657)	(50,657)	(50,657)
less Depreciation	62,610	58,690	58,690	59,997	62,997	66,146	69,454	72,927	76,573
Net Operating Income	4,846	38,092	38,484	9,340	12,340	15,489	18,797	22,269	25,916