

MAJOR COASTAL ZONE MANAGEMENT PERMIT NO. CZX-11-18(L)

- I. **AUTHORITY** This permit is issued by the St. Croix Committee of the Virgin Islands Coastal Zone Management (CZM) Commission and is administered and monitored by the Department of Planning and Natural Resources (the “Department”) on behalf of the Coastal Zone Management Commission pursuant to Virgin Islands Code, Title 12, Sections 910 and 911, and any other provisions of Chapter 21 that apply. As herein, “Permitter” is the **ST. CROIX COMMITTEE OF THE VIRGIN ISLANDS COASTAL ZONE MANAGEMENT COMMISSION** and the “Permittee” is **VIRGIN ISLANDS GAMING LIMITED OPERATIONS, LLC.**
- II. **SCOPE** This permit allows for the construction of a Premier Horse Racing facility. The project includes the demolition and reconstruction of the facility to include:
- Two 85’ x 422’ horse barns with 96 stalls each
 - A 50’ x 114’ quarantine barn with 12 stalls
 - Jockey Dormitory trailer
 - A 3,000 sq. ft. Veterinary Clinic
 - Four 100,000 gal. rain water harvesting storage tanks
 - Four Parking Lots
 - Erosion and storm water management devices
 - Two Casino Buildings
 - Two 122,000 gal. rain water harvesting storage tanks
 - 500 gal. Fuel Tank
 - Test stall and laboratory building
 - Equipment shed
 - Three-story New Stadium
 - Paddock and Paddock stalls
 - Renovation of existing barns

This project is located on Plot No. 5 Manning’s Bay and Parcel No. 4-B Estate Bethlehem Middle Works on the Southshore of St. Croix, U. S. Virgin Islands.

- III. **TERM** This permit is effective upon its signing by the Chairman of the St. Croix Committee of the Virgin Islands CZM Commission, pursuant to V.I. Code, Title 12, Chapter 21. Authorization for construction under this permit shall expire if the Permittee fails to commence work within twelve (12) months from the date this permit becomes effective.

IV. **DOCUMENTS INCORPORATED BY REFERENCE**

- Exhibit A: CZM Permit Application dated April 9, 2018
Exhibit B: Site Plan and Floor Plan dated November 14, 2018
Exhibit C: Copy of the Environmental Assessment Report dated April 2018

V. **GENERAL CONDITIONS**

1. **Liability** The Permittee agrees to assume full and complete responsibility for all liability to any person or persons, including employees, as a result of its control of the area described in Paragraph 2 of this permit, and all improvements thereon (which area and improvements are hereinafter referred to as “the premises”), and to hold the Permitter free and harmless for civil or other liabilities of any kind during the time the Permittee is in control of the premises pursuant to this permit.
2. **Personal Property and Damage** All personal property of any kind or description whatsoever located on the premises shall be there at the Permittee’s sole risk.
3. **Assignment or Transfer** This permit may not be transferred or assigned except as provided in Section 910-15 of the Virgin Islands Rules and regulations.
4. **Permit to be Displayed** A placard evidencing the permit shall be posted in a conspicuous place at the project site during the entire work period.
5. **Reliance on Information and Data** In issuing the permit, the Committee, the Commissioner, and their authorized agents or representatives have relied on the information and data provided by the Permittee. The Permittee affirms that the information and data which it provided in connection with its permit application are true and accurate, and acknowledges that if subsequent to the effective date of this permit such information and data prove to be false or inaccurate, the permit may be modified, suspended or revoked in whole or in part, and that the Commissioner or the Committee may, in addition, institute appropriate legal action.
6. **Development to be Commenced** Any and all development approved by this Coastal Zone Permit shall begin within twelve (12) months from the date this permit becomes effective and shall be continuous until completion. Failure to commence work within such period and continuously construct thereafter until the completion of construction shall cause the permit to terminate automatically and render it null and void, unless the Permittee requests an extension in writing and demonstrates to the satisfaction of the Committee that good cause exists for granting such extension. If Permittee requests an extension, notice of such request shall be published and the public shall have the right to comment in writing.
7. **Notification of Completion** Upon completion of any activity authorized or required by this CZM Permit, the Permittee shall promptly so notify the Director of the Division of CZM and where the services of a professional engineer were required in undertaking the activity, a certification of compliance provided by the project engineer that the plans and specifications of the project and all applicable Virgin Islands Code requirements have been met, shall be filed with said Director.
8. **Inspection** The Commission, its Committee, the Commissioner or their authorized agents or representatives shall have the power to enter at reasonable times upon any lands or waters in the coastal zone for which this Coastal Zone Permit has been

- issued. The Permittee shall permit such entry for the purpose of inspection and ascertaining compliance with the terms and conditions of said Coastal Zone Permit. The Permittee shall provide access to such records as the Commission, its Committee, or the Commissioner, in the performance of it or his duties under the CZM Act, may require the Permittee to maintain. Such records may be examined and copies shall be submitted to the Commission, its Committee or the Commissioner upon request.
9. Conditions of Premises The Development authorized by this permit shall be maintained in a safe condition and in accordance with the description, plans, or drawings approved by the Commissioner or by the Committee, and all applicable Virgin Islands Laws.
 10. Public Access to Shoreline The development shall be operated so as to assure optimum public access to the shoreline.
 11. Restoration of Area The Permittee, upon revocation or expiration of the permit, shall upon order of the Committee, or the Commissioner, and in their sole discretion, remove all structures authorized by the permit and restore the area to its original condition in the manner specified by the Division of CZM, and/or modify such structures or site, and/or comply with any reasonable directive of the Committee, or the Commissioner in satisfying the original permit conditions in such time and manner as the Committee, or the Commissioner may direct.
 12. Notices All notices sent or required to be sent hereunder must be by certified mail, return receipt requested. If addressed to the Permitter, same shall be sent to the Commissioner of the Department of Planning and Natural Resources, #45 Mars Hill, Frederiksted, St. Croix, US Virgin Islands 00841, or to such other place as the Permitter may hereinafter designate. If addressed to the Permittee, same shall be sent to Lance Griffith, Vice President, VIGL Operations, LLC., 2006 Eastern Suburb Suite 5 & 6, Christiansted, St. Croix, Virgin Islands 00820 or to such place as the Permittee may hereinafter designate by certified mail, return receipt requested.
 13. Non Waiver One or more waivers by the Permitter of any covenant or condition of this permit shall not be construed as a waiver of a further breach of the covenant or condition. The consent or approval of the Permitter to or of any acts by either the Permittee requiring the Permitter's consent or approval shall not be construed as approval of any subsequent similar act by the Permittee.
 14. Revocation It is specifically understood that all the foregoing covenants and agreements, as well as other terms and special conditions hereby agreed to by the Permittee, are to be well and faithfully kept by Permittee and that any failure by the Permittee to keep same will result in revocation of this permit.
 15. Other Approval If the development covered under this permit requires separate and distinct approval from the United States Government or the Government of the Virgin Islands, or any agency, department, commission or bureau thereof, then no development or occupancy is allowed under this permit until such permits or

approvals have been obtained.

16. Abandonment If the Permittee abandon, deserts or vacates the premises or discontinues its operation at the premises for a period totaling six (6) consecutive months, the permit will terminate automatically and be rendered null or void.
17. Signatures on the Permit Document The Permittee shall sign and return the permit document to the Department within sixty (60) days of receipt thereof. Failure to return the signed permit within the time period specified herein will be considered a rejection of the terms and conditions of the permit and will render the offer of the permit null and void, unless the Permittee requests a written extension and the Department grants the written extension.
18. Damage and Repair of Premises Described in Paragraph II In the event of damage to or destruction of the premises, described in paragraph II hereof, repair work may be done only after a request to do so has been submitted in writing to the Department and written permission has been granted by the Department.


VI. SPECIAL CONDITIONS

1. The Permittee shall notify the Division of Coastal Zone Management (CZM) two (2) working days prior to the commencement of development.
2. Erosion and sedimentation control measures as outlined in the application and EAR shall be installed and implemented throughout the site prior to commencement of any work. Silt fencing and construction entrances/ exists shall be installed in accordance with the 2002 Environmental Protection Handbook. CZM shall be notified once all erosion control measures are in place for the project. All erosion and sedimentation control measures shall be inspected daily to ensure proper function during construction activities on the site until completion of this project. Any deficient measures will be fixed immediately by the developer.
3. Prior to the commencement of any construction activities, all applicable Territorial and Federal permits, and any other necessary approvals, must be obtained and copies submitted to the Division of CZM. Specifically, a DPW permit, a SWPPP Permit, an approved dust control plan and any solid waste permits, must be obtained from the Division of Environmental Protection, as well as a Building Permit from the Division of Building Permits.
4. The Permittee must submit a Waste Stream Management Plan to the VI Waste Management Authority for approval. This plan should include all solid waste and wastewater concerns associated with the construction and operation of the proposed race track.
5. Any changes to the design plan and or construction methods or any significant change to any other parts of the plans must be first approved by CZM. Any permit modifications must be applied for in accordance with the CZM Act and the rules and

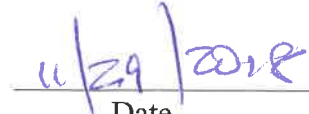
- regulations. Final Site Plan consistent with the changes agreed upon with the Permittee must be submitted to CZM within ten (10) days of the Decision Meeting.
6. The stock piles of dirt from digging and grading shall be surrounded by a silt fence(s) to ensure erosion and sedimentation is minimized. The stockpiles shall also be covered to prevent wind erosion. No piles shall be placed within 150 feet of the mangrove lagoon.
 7. The Permittee shall cease work immediately and contact the State and Historic Preservation Office (VISHPO) if any cultural resources or any historic features are found during the excavation phase.
 8. The Permittee shall maintain a 30' buffer between the development limits and the existing fringes of the wetlands and/or guts to include the mangroves.
 9. The Permittee in the operation of the facility shall maintain consistency with the guidelines of the USEPA's requirements set forth in the *US Environmental Protection Agency's Identifying and Controlling Discharge from Horse Racing Operations Guidelines*.
 10. The Permittee shall work with CZM to develop a plan for the implementation of a natural tree buffer for the eastern portion of the project site.
 11. The Permittee shall renovate the existing stalls to safe and habitable conditions and will allow present horse owners to continue renting the existing stalls if the horse owner desires.

IN TESTIMONY WHEREOF, the parties herein have hereunto set their hands and seals on the days and years appearing herein below.

ST. CROIX COMMITTEE OF THE VIRGIN ISLANDS CZM COMMISSION
Permitter

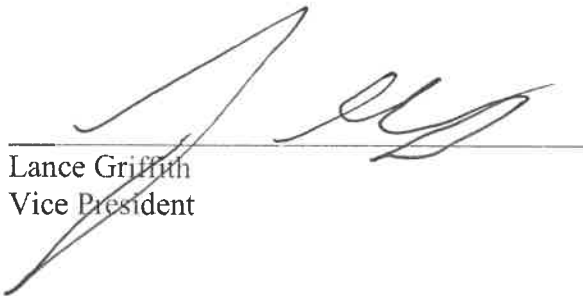


Masserae Webster
Chairperson

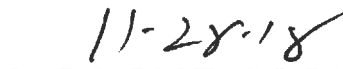


Date

VIRGIN ISLANDS GAMING LIMITED OPERATIONS, LLC.
Permittee

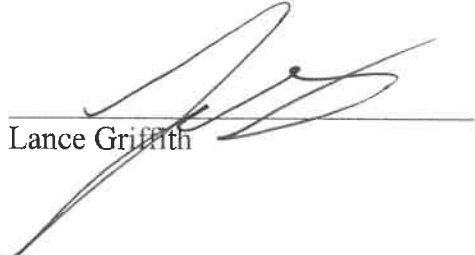


Lance Griffith
Vice President



Date

I, Lance Griffith, Vice President, VIGL Operations, LLC., Permittee of Plot No. 5 Manning's Bay and Parcel No. 4-B Estate Bethlehem Middle Works, St. Croix, do hereby certify that as Vice President of Virgin Islands Gaming Operations, LLC., at Plot No. 5 Manning's Bay and Parcel No. 4-B Estate Bethlehem Middle Works, St. Croix, I am duly authorized and empowered to sign this Permit.



Lance Griffith

11-28-18

Date

SWORN AND SUBSCRIBED before me
this 28th day of November 2018



Notary Public

