

# Governor Dayton, Legislative Leaders, City of Minneapolis, and Minnesota Vikings Announce Agreement for People's Stadium

March 01, 2012

## *Publicly Owned Stadium could Support up to 13,000 Jobs; Require No General Fund Tax Dollars*

St. Paul – Today Governor Mark Dayton was joined by State Legislators, Minneapolis Mayor R.T. Rybak, Mark and Zygi Wilf of the Minnesota Vikings, and business and labor leaders to announce an agreement to build a new “People’s Stadium” on the current Metrodome site. The new stadium will be publicly owned, support more than 13,000 jobs, require no general fund tax dollars, and keep the Vikings in Minnesota for the next 30 years.

Governor Dayton said, “This agreement results from countless hours of analyses, discussions, and negotiations; and I thank everyone involved for an extraordinary effort. The project would provide up to 8000 construction jobs and an additional 5000 jobs among suppliers during its three years of construction, employ many more through its ongoing operations, and keep the Minnesota Vikings here for the next 30 years -- all without using a single dollar of General Fund tax revenues. The stadium would be owned by the people of Minnesota and managed for their benefit year-round by a Public Authority.

“I respectfully urge the Minneapolis City Council and the Minnesota Legislature to vote their approval as soon as possible. Let’s put thousands of Minnesotans to work building our ‘People’s Stadium’.”

“We are pleased that those representatives of the Vikings, the City of Minneapolis and the state have successfully completed their negotiations to build a new stadium at the Metrodome site. We will now be working to finalize language for a new bill that will implement the proposed agreement,” said Rep. Morrie Lanning.

“Keeping the Vikings in Minnesota is in the best interests of the state. This will be done without using any General Fund dollars that could go to our schools or nursing homes. It is a real win for the State of Minnesota,” said Senator Julie Rosen.

“This solution simply makes sense. The site that has been the home of the Minnesota Vikings for the last 30 years will be its home for the next 30 years, in a publicly-owned, modern facility that takes advantage of the infrastructure in place and offers Minnesotans world-class sports and entertainment — right in Minneapolis,” said Minneapolis Mayor R.T. Rybak

“My constituents, like people across Minneapolis, want to get to work — and this is the single biggest action we’ve taken in the last decade to create jobs. The new stadium also secures

Minneapolis' place as the premier host city of the upper Midwest, and that means even more good jobs," said Minneapolis City Council President Barbara Johnson

"We are pleased to be able to join Governor Dayton, officials from the City of Minneapolis and our legislative leaders in offering this stadium agreement for consideration at the Capitol," said Zygi Wilf, Vikings owner and chairman. "We believe this proposal offers significant benefits for the City, the State, our fans and the team, and we look forward to working with the City of Minneapolis and the State Legislature to pass a stadium bill this year."

The Downtown East site includes the current Metrodome land with the addition of a game-day plaza on the stadium's west side. The new "People's Stadium," estimated to be available for public use 355 days a year, will include a fixed-roof to allow year-round activities, 2,500 parking spaces adjacent to the stadium and a creative design including an attractive, functional interior similar to Target Field.

"This agreement represents true compromise and is a great step forward in achieving a long-term stadium solution in Minnesota," said Mark Wilf, Vikings owner and president. "We appreciate the hard work from all of our partners in reaching this milestone, and we look forward to joining Governor Dayton, MSFC Chair Mondale, Minneapolis leaders and stadium bill authors to pass legislation that secures the long-term future of the Vikings in Minnesota and supports thousands of much-needed jobs."

During the three-year building process, the project will support 13,000 jobs and require nearly 4.3 million work hours with nearly \$300 million of the overall costs being wages for construction workers, boosting an industry currently suffering unemployment near 20%. As was the case with Target Field, over 90% of the labor and material cost will be invested back into the Minnesota economy. When combining the Vikings' capital contribution with the team's share of operating expenses/capital expenditures, the private contribution is more than half (50.6%) of the project's life-cycle costs.

The stadium will be owned and operated by a new Stadium Authority, comprised of three members appointed by the Governor and two members appointed by the City of Minneapolis. The facility will be a statewide asset that can host year-round events, including high school sports and community programs from across the Minnesota, and national events like Major League Soccer, NCAA Final Fours, a Super Bowl and political conventions.

The stadium agreement is contingent upon legislative approval and the support of the Minneapolis City Council. Legislative authors expect to introduce stadium legislation on Monday, March 5.

Attachments:

[A People's Stadium: By the Numbers](#)  
[A People's Stadium: Financial Details](#)  
[Downtown East Stadium Term Sheet](#)



State of Minnesota | City of Minneapolis | Minnesota Vikings

## The People's Stadium by the Numbers

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**No new taxes** will be required in Minneapolis or statewide to pay for the stadium. No taxpayer dollars will be taken from the state's general fund.

+50

The **Minnesota Vikings will contribute more than 50%** of the construction and operating expenses during the stadium's life-cycle.

13,000

13,000 Minnesotans could be put to work during the construction of the new stadium.

355

The new People's Stadium will be available 355 days a year for public uses, including high school and amateur sports, cultural celebrations and entertainment events.

2,500

More than 2,500 bars and restaurants across Minnesota will attract additional customers and provide more charitable gaming with electronic pull-tabs.

30

The Minnesota Vikings will be required to play in the new stadium for the next 30 years.

\$145M

According to a Convention, Sports & Leisure (CSL) study, more than \$145 million annually will be directed invested into the local economy from the Minnesota Vikings and major league sporting events.



State of Minnesota | City of Minneapolis | Minnesota Vikings

# BUILDING THE PEOPLE'S STADIUM...TOGETHER

## DOWNTOWN EAST STADIUM FINANCING PLAN

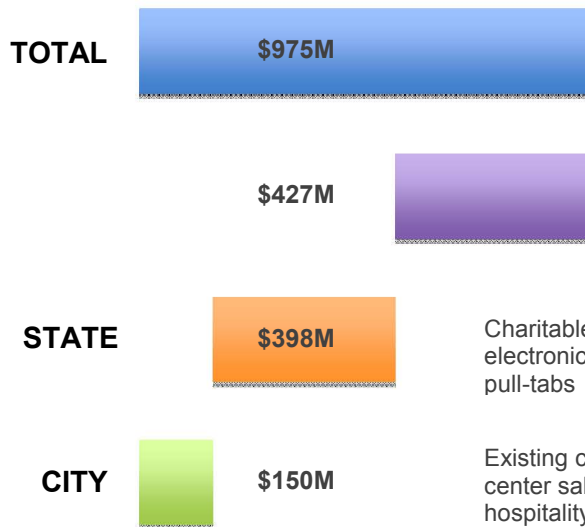
*(Assumes 2016 stadium opening)*

### TOTAL PROJECT COSTS - \$975 million

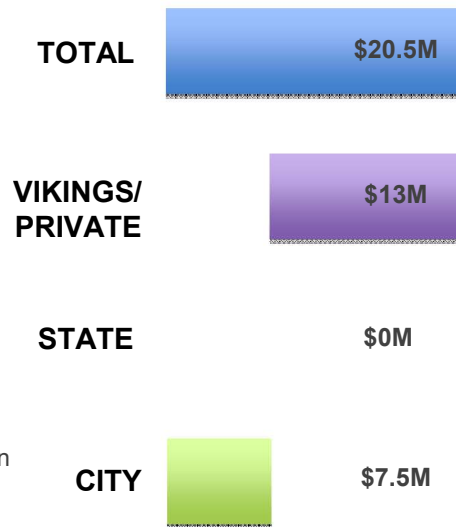
- Fixed-roof stadium - \$828 million
- On-site infrastructure/relocation costs - \$147 million
- More than 50% privately funded

State of Minnesota (26.7%)	City of Minneapolis (22.7%)	Minnesota Vikings (50.6%)
Upfront Costs: \$398M	Upfront Costs: \$150M	Upfront Costs: \$427M
Operating & Capital Expenses: \$ 0M	Operating & Capital Expenses: \$188.7M	Operating & Capital Expenses: \$327.1M
Total Contribution: \$398M	Total Contribution: \$338.7M	Total Contribution: \$754.1M

### INVESTMENT TO BUILD (M)



### ANNUAL OPERATING EXPENSES & CAPITAL COSTS (M)



# Financial Commitments

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## STATE OF MINNESOTA

- No general fund revenues
- Expands charitable gaming with the addition of electronic pull-tabs
- Provides sales tax exemptions for stadium construction materials and property tax exemptions

## CITY OF MINNEAPOLIS

- Requires no new taxes in Minneapolis
- Protects the city from cost overruns during construction, operations and capital improvements
- Redirects a portion of the existing convention center sales and hospitality taxes
  - 0.5% sales tax
  - 3.0% downtown restaurant tax
  - 3.0% downtown liquor tax
  - 2.625% lodging tax
- Ensures Minneapolis is a valued partner during the stadium's life-cycle with annual contributions of \$6 million for operating expenses and \$1.5 million for capital improvements

## MINNESOTA VIKINGS

- Obligates the team to contribute more than 50% of the construction and operating expenses during the stadium's life cycle, including:
  - \$11.5 million annually for stadium operating expenses
    - Payment of any and all game-day expenses for NFL and MLS games, including any municipal expenses within stadium or related plaza areas (estimated at \$3 million)
    - Payment of \$8.5 million in annual rent/operating expenses
  - \$1.5 million annually for future capital improvements
- Requires the team to commit to a 30-year lease
- Ensures the Vikings pay for capital improvements proposed by the team
- Commits the team to sharing any profits in the event the team is sold
- Requires the team to play only one season at TCF Bank Stadium

**Overview of Stadium Development and Operating Terms  
Minneapolis Downtown East Site  
3/01/2012**

The intent of this document is to provide an outline of terms agreed to by the undersigned set forth herein for the structuring of a public/private agreement related to the design, development, construction and operation of a first-class People's Stadium ("Stadium") in the State of Minnesota. The terms set forth herein have been developed to provide a framework for a transaction that protects the public's interest and investment in such a project while providing the National Football League's Minnesota Vikings ("Vikings") with a suitable long-term home.

***Purpose:***

To provide a set of guiding principles related to the design, development, construction and operation of a new Stadium in the State of Minnesota that can be used for a broad range of community, civic, sporting and entertainment events. The Stadium should be designed to maximize the breadth and depth of events that the Stadium can reasonably attract to maximize the economic, fiscal and social benefits to the State and its citizens while providing a long-term home for the Vikings, thereby ensuring the presence of the Team and their associated benefits to the State of Minnesota, local jurisdictions and the State's citizens for a minimum of thirty (30) years.

***Parties:***

It is contemplated that the parties to the transaction include (as applicable) the following:

- State of Minnesota (the "State")
- City of Minneapolis (the "City")
- To-be-formed Stadium Authority (the "Authority")
- Minnesota Vikings Football, LLC. and any Team Affiliates and/or Team Stadium Company (the "Team")
- National Football League (the "NFL")

<b>Stadium Location</b>	The Stadium will be located at the Downtown East site in Minneapolis, MN														
<b>Stadium Description</b>	The Stadium will be Multi-purpose with a Fixed roof (with an option to modify to a Retractable roof without any increase to the funding provided by State or City). The current Stadium siting plan is depicted on Schedule A. During the Design and Development Phase, the Group (defined herein) will explore moving the Stadium as far east on the site as possible, with full consideration of project costs, safety, and other such issues, in order to limit the time that the Team would need to play at another location and to create a significant public plaza for year-round activities.														
<b>Stadium Ownership</b>	The Stadium and the Stadium site will be owned by the Stadium Authority.														
<b>Authority</b>	<p>The Authority will be comprised of:</p> <ul style="list-style-type: none"> <li>o 3 members appointed by the Governor, including the Chair</li> <li>o 2 members appointed by the Mayor of the City of Minneapolis</li> </ul> <p>The Authority will be appointed within 30 days after the enactment of the Stadium legislation.</p>														
<b>Authority Transition</b>	The Metropolitan Sports Facilities Commission (MSFC) will be abolished within 90 days after the enactment of the Stadium legislation with the new Authority assuming all remaining assets and obligations of the MSFC.														
<b>Financing</b>	<p>The State would provide <b>\$398 million</b> (net of financing costs) to the project.</p> <p>The City of Minneapolis Convention Center Taxes (described below) would provide <b>\$150 million</b> (net of financing costs).</p> <p>The Team/Private Contribution would be <b>\$427 million</b> (net of financing costs).</p> <p><b>Sources:</b></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">State of Minnesota</td> <td style="text-align: right;">\$398.0</td> </tr> <tr> <td>City of Minneapolis</td> <td style="text-align: right;">150.0</td> </tr> <tr> <td>Team/Private</td> <td style="text-align: right;"><u>427.0</u></td> </tr> <tr> <td><b>Total Sources</b></td> <td style="text-align: right;"><b><u>\$975.0</u></b></td> </tr> </table> <p><b>Uses:</b></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">Stadium</td> <td style="text-align: right;">\$828.0</td> </tr> <tr> <td>Site Cost/Relocation</td> <td style="text-align: right;"><u>147.0</u></td> </tr> <tr> <td><b>Total Uses</b></td> <td style="text-align: right;"><b><u>\$975.0</u></b></td> </tr> </table> <p>The project budget is attached on Schedule B.</p>	State of Minnesota	\$398.0	City of Minneapolis	150.0	Team/Private	<u>427.0</u>	<b>Total Sources</b>	<b><u>\$975.0</u></b>	Stadium	\$828.0	Site Cost/Relocation	<u>147.0</u>	<b>Total Uses</b>	<b><u>\$975.0</u></b>
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<p><b>Estimated LifeCycle Stadium Funding/Operating Costs</b></p> <p>(Operating, Gameday and ongoing Capital Net Present Value (NPV) is based on 3% inflation and a 4% discount rate)</p>	<p><b>State:</b></p> <p>Upfront \$398.0</p> <p>Ops &amp; Capital (NPV) <u>0.0</u></p> <p><i>Total (26.7%)</i> <u>\$398.0</u></p> <p><b>City:</b></p> <p>Upfront \$150.0</p> <p>Ops &amp; Capital (NPV) <u>188.7</u></p> <p><i>Total (22.7%)</i> <u>\$338.7</u></p> <p><b>Team/Private:</b></p> <p>Upfront \$427.0</p> <p>Ops &amp; Capital (NPV) <u>327.1</u></p> <p><i>Total (50.6%)</i> <u>\$754.1</u></p>
<p><b>Public Funding</b></p>	<p>The State of Minnesota (or designated intermediary) will issue appropriation bonds which combined with other funding sources will be in the amount of \$548 million (net of financing costs). The bonds will be repaid through a combination of funds primarily generated through the City of Minneapolis “Convention Center Taxes” identified in the Convention Center Taxes section below (supporting approximately \$150 million in financing) and expansion of State authorized charitable gaming to include electronic “Pull-tab” and other allowable gaming (supporting approximately \$398 million in financing).</p>
<p><b>Convention Center Taxes Capital Contribution Allocation</b></p>	<p>Beginning in 2021 through 2046, the State will encumber, on an annual basis, a portion of the Convention Center Taxes equivalent to the present value of \$150 million. For calculation purposes, the present value date will be based on the date(s) of the bond(s) sold by the State (or designated intermediary) or other State funding is initiated. The present value rate will be the greater of the total interest cost of the bond issue(s) or equivalent 30-Year bond index. A proposed minimum schedule of Convention Center Tax encumbrances will be developed by the City and the State.</p>
<p><b>Public Stadium Operating and Capital Reserve Allocation</b></p>	<p>Beginning in 2016 (or the first year of operation), the State will advance to the Authority, on an annual basis, the amount of \$7.5 million adjusting based upon the preceding year’s growth in the Convention Center Taxes, but not less than zero percent (0%) and no more than five percent (5%) annually thereafter (“the adjustment factor”), through 2020. Beginning in 2021 through 2046, the State will encumber an amount, on an annual basis, equivalent to \$7.5 million as adjusted by the adjustment factor. In order for the State to recoup its advance for the period 2016 (or the first year of Stadium operation) through 2020, the State will, beginning in 2021, retain an additional portion of the Convention Center Taxes annually using the same present value discount rate and calculation method set forth Public Capital Contribution Allocation section above utilizing the actual dates of the State advances to calculate their present value. The present value of the State’s recoupment will also be calculated based on the actual recoupment dates and the Public Capital Contribution Allocation section.</p>



	Beginning in 2013, the State will retain and pay to the Authority annually (i) one-half (50%) of any amount above the first \$1.0 million (inflating at two percent annually, thereafter) up to the first \$3.0 million (inflating at two percent annually, thereafter), and (ii) one-quarter (25%) of any excess amounts over the prior threshold, of the base Convention Center Tax amounts set forth in a schedule to be developed by the City and the State.
<b>Convention Center Taxes</b>	<p>As a part of the funding, the taxes set out below (the “Convention Center Taxes”) will remain in effect through at least 2046 at current levels covering current items in current geographic locations:</p> <ul style="list-style-type: none"> <li>a. 0.5% general sales tax;</li> <li>b. 3% downtown restaurant tax;</li> <li>c. 3% downtown liquor tax;</li> <li>d. 2.625% lodging tax.</li> </ul> <p>Beginning in 2012, the authorization for the Convention Center Taxes will provide for City expenditures in support of capital projects or for other economic development purposes.</p>
<b>MSFC Reserves</b>	The MSFC Reserves, if any, will be transferred to the new Authority to fund the Authority activities during construction including the ongoing operations of the Metrodome until demolished, and then applied to capital/operating reserves of the new Stadium after the Team has finished playing at Mall of America Field, as determined by the Authority.
<b>Timing of Contributions</b>	Funding of project costs, including the design and development phase, will be paid first by the Team until \$50 million of the Team/Private commitment is expended, second by the Authority until \$50 million of the Public commitment is expended and then shared proportionately by the Team and Authority until all costs have been funded. The Team will provide suitable security for their funding obligations as a part of project financing.
<b>State/City Sales Tax Exemption</b>	The State and City will provide a sales tax exemption on Stadium and off-site transportation construction materials, sewer access charge fee exemption, and property tax exemption on the Stadium property. The Team may operate some facilities on/as a part of the Stadium site year-round (e.g., retail store(s), restaurant(s)), as agreed to by the Group (as defined below) as part of the Design and Development Phase. The property tax exemption would also be applicable to these facilities, to the extent legally permissible.
<b>Design &amp; Construction Management</b>	The design and construction of the Stadium shall be a collaborative effort between the Authority and the Team. The Authority and the Team will work together throughout the design and construction process to identify the most efficient project procurement and delivery methods subject to the Authority’s mandated public process, and subject to the exemptions granted to the Target Field design and construction process, as described in the Target Field legislation Minnesota Statutes Sections 473.756, Subd.12, as applicable. Any necessary land use and development reviews and approvals shall be handled consistent with the procedures and standards applied to the Target Field design and construction process, as described in the Target Field legislation Minnesota Statutes Sec 13.473.758, Subd 2, as applicable.

A Stadium Design and Construction Group (“Group”) shall be established to manage the design of the project and to provide oversight during construction. The Authority and Team shall each appoint one member to serve as the lead representative for each party. Each member shall serve at the pleasure of the appointing entity. A 4/5 vote of the Authority will be required with regard to the Authority decisions related to zoning, land-use and exterior design of the Stadium, related Parking and the Plaza area.

Group will hire, by unanimous decision, an experienced Owner’s Representative to assist in the management of the project. The Group Owners’ representative will work for the Group and be paid out of Project funds. If desired, any member of the Group, at its own expense, may also hire their own Project Representative to participate in the design and construction process.

Group will manage the following aspects of the Project:

- Project Program development
- Project Budget development
- Project Schedule development
- Solicitation and Selection of an architect and other consultants (“Design Team”)
- Direction of the Design Team in the preparation of design documents
- Site development, including parking and infrastructure
- Transportation improvements
- Guaranteed Maximum Price (“GMP”) process, including selection of contractor and negotiation of GMP agreement
- All other aspects of the Stadium design & construction until a binding and acceptable GMP agreement is signed

**Design and Development Phase**

For the time period up until the Design and Development Drawings are completed, and in any event no more than 14 months after the Design Team has been engaged, the Group shall work together on all aspects of design and development.

To help the Group carry out these tasks during the Design and Development Phase, the Authority and the Team shall enter into a Development Administration Agreement (“DAA”) in which the Authority and the Team will agree to undertake and pay for certain design and other development tasks needed to develop the Stadium, as described above. The Team shall provide the initial funding for the Design and Development Phase in accordance with the Timing of Contributions section above, capped at \$50 million, which will be reimbursed proportional to project funding percentages in the event the project terminates for whatever reason (i.e., Team 44%; Public 56%).

The Group shall establish minimum design standards to be incorporated into the construction of the Stadium. Such minimum design standards shall be based on recently-built, comparable-market NFL multi-purpose Stadium program elements, including but not limited to Indianapolis-Lucas Oil Stadium, and be consistent with the 2008 stadium program developed by the MSFC. The Group shall work together to minimize project costs while maintaining the minimum design

standards and considering the impact on operations/operating costs. Any changes to the minimum design standards must be approved by the Group.

If the Group is unable to agree on any aspect of the Design and Development Phase, or any aspect of the minimum design standards, the Group shall consent to binding arbitration in order to resolve any items in dispute.

If either the Authority or the Team subsequently requests an agreed upon change to the minimum design standards, that party shall be responsible for the additional cost and for the mitigation of any negative impact, if any, on the other previously agreed to project elements, unless the Authority and Team agree to share in such costs.

### **Construction Phase**

Upon completion of the Design and Development Phase, the Group shall instruct the selected contractor to propose a GMP in two alternative formats:

- Design-Build GMP, in which the contractor shall assume responsibility to complete the design and deliver final construction documents and construct the project for a GMP that includes all the required costs of finishing design and construction, or
- Construction Manager at Risk GMP, in which the contractor does not assume any design responsibility but does agree to construct the project based on the applicable Design and Development documents for a GMP that includes all the required costs of construction.

The Group shall review the alternative GMP proposals and select the approach determined to be most appropriate under the circumstances. Under either alternative, the GMP contract shall contain provisions for significant penalties in the event the contractor deviates from the minimum design standards or does not achieve timely completion in accordance with the project schedule. Further, goals for construction contracts to be awarded to women and minority owned businesses will be in a percentage at least equal to the minimum used for other Minneapolis development projects, as shown in Schedule C, and the construction workforce will establish workforce utilization goals at least equal to current city goals and include workers from Minneapolis zip codes that have high rates of poverty and unemployment.

After the GMP agreement is signed, the construction phase shall commence and the Authority will manage the construction of the Stadium. However, the Authority:

- Will construct the Stadium in a manner consistent with the minimum design standards and GMP design documents unless the Group otherwise agrees.
- Will furnish and equip the Stadium with furniture, fixtures and equipment (FF&E) consistent with the approved Design and Development Drawings and minimum design standards.
- Will ensure the completion and commissioning of the Stadium consistent with the approved Design and Development Drawings with respect to sustainability and efficient building operations.

	<ul style="list-style-type: none"> <li>• If value engineering is required to avoid any increases in the GMP price, the Group will participate in any and all such decisions. However, if the Group is unable to agree on modifications the Authority shall have the right to make final decisions except with respect to minimum design standards, which will include significant revenue generating elements, as the Authority will be responsible for cost overruns.</li> </ul> <p>For any aspect during the Construction Phase for which the Group is unable to agree, then the Authority shall have the right to make the final decision, as the Authority is responsible for cost overruns, provided, however, that in no event will any deviation from the minimum design standards be permitted without Team consent.</p> <p>Notwithstanding the above, before the Authority enters into the GMP Agreement/or like contract, the Team, with the consent of the Authority (such consent not to be unreasonably withheld or delayed), may take the place of the Authority in the management of the Construction Phase, in which event the Team shall be responsible for cost overruns and will otherwise assume all rights and responsibilities of the Authority to complete construction in a manner consistent with the minimum design standards and the GMP design documents. In the event the Team exercises this option, the Team shall have the right to make final decisions with respect to any value engineering decisions that may be required to avoid any increases to the GMP, within the same parameters regarding minimum design standards as the Authority would be subject to the above.</p>
<p><b>Cost Overruns/Savings</b></p>	<p>The Authority (or the Team, if the Team assumes all rights and responsibilities of the Authority to complete construction per the terms set forth in the Design &amp; Construction Management Section) will be responsible for cost overruns associated with development of the Stadium project.</p> <p>Any cost savings or additional funds obtained by the parties for project costs shall be (1) used to fund agreed upon additional project costs, which may include the addition of a retractable roof and operable end walls, stadium technology, programming of public plaza areas adjacent to the Stadium, and land acquisition, or (2) used to fund the Capital Reserve once the items agreed to in (1) above have been funded.</p> <p>If a third party is engaged in any manner during the Design and Development Phase or Construction Phase (e.g., a P3 design and operation group is engaged) the Group must be in unanimous agreement to engage such third party.</p>
<p><b>Operations</b></p>	<p>The Authority and Team will mutually agree on an experienced private-stadium management company (or qualified individual) to manage the Stadium on behalf of the Authority and Team (the “Manager”), and will mutually agree on certain major vendors (e.g., concessionaire) who will be providing services to the Stadium on a long-term basis. The major vendor categories will be defined in the definitive agreements.</p> <p>The Authority in consultation with the Team will negotiate a fixed-cost operating Management/Employment Agreement with operating cost protection(s). The Authority (not the City or the Team) will be responsible for operating cost overruns.</p> <p>The Manager would be responsible for developing initial and ongoing Operating Plan(s) and Operating Budget(s) to be approved by the Authority, in consultation with the Team. The Operating Plan will identify the number and types of events planned each year and would be consistent with the general framework of the initial Operating Plan and Budget to be agreed</p>

	<p>by the Authority, in consultation with the Team. The Operating Plan and Operating Budget shall accommodate the Team’s NFL operating and schedule requirements and be consistent with historical standard operating practices of comparable-market NFL multi-purpose facilities (including but not limited to Lucas Oil Stadium). NFL/MLS dates and up to five (5) other Non-NFL/MLS Events as described below will have scheduling priority.</p> <p>Team shall have up to ten (10) non-NFL/MLS dates per year for events (e.g., NFL Draft Party, charitable events, Team sponsor events; such events the “Team Non-NFL/MLS Events”) including up to five (5) such dates with scheduling priority, in accordance with the scheduling process referenced below, in same manner as NFL/MLS events. Any Team Non-NFL/MLS Events may not be competitive with any Authority revenue generating events. All Team Non-NFL/MLS Events will be available to the Team at no additional rent, however, all actual/event expenses for any Team Non-NFL/MLS Events will be paid by the Team. The Authority and Team will establish a scheduling process for the Stadium each year, including appropriate deadlines for each party to schedule its events. Any additional event days requested by the Team for Team Non-NFL/MLS Events will be agreed upon between the Team and the Authority considering the Authority’s scheduling priority and the importance of maximizing public access.</p> <p>The Manager would be responsible for operating the Stadium and parking facilities in accordance with the approved Operating Plan and Budget. Any significant changes to the Operating Plan and Budget would require approval by the Authority, in consultation with the Team.</p>
<p><b>Capital Repairs and Improvements</b></p>	<p>The Authority, with input from the Manager and the Team, would develop a short-term and long-term capital funding plan that prioritizes and defines the capital improvements on a rolling current year and multi-year basis in order to meet the needs of the public and NFL standards. The Authority agrees to maintain the Stadium in a manner that is first class and consistent with comparable NFL stadiums, such as but not limited to Lucas Oil Stadium.</p> <p>The Manager, at the direction of the Authority, will be responsible for making, or for causing others to make, all capital repairs, replacements, and improvements for the Stadium, plaza, and parking facilities.</p> <p>The Team will contribute \$1.5 million annually (inflating at 3% annually) into the Capital Reserve Fund. In addition, 20 percent (\$1.5 million, as adjusted annually) of the operating allocation described in the Public Stadium Operating and Capital Reserve Allocation section set out above will be placed into the Capital Reserve Fund.</p> <p>Any capital improvement proposed by the Team(s) intended primarily to provide revenue enhancements to the Team(s) shall be paid for by the Team(s) unless otherwise agreed to with the Authority as part of the Capital funding plan, subject to Authority approval.</p>
<p><b>Term</b></p>	<p>Team will enter into a Stadium lease or use agreement with the Authority for a term of thirty (30) years; with options for the Team to extend the term for four (4) additional five (5) year periods.</p> <p>The agreement will contain assurances and conditions requiring specific performance and commitment from the Team to play</p>

	<p>their home games at the Stadium throughout the term of the Use Agreement. The Team shall have the ability to play a limited number of League mandated home games off-site or specialty home games off-site, but not more than one (1) game per year or more than four (4) regular season games and two (2) preseason games over any ten (10) year period.</p>
<p><b>Stadium Revenues</b></p>	<p>The Team shall retain all NFL and Team event-related revenues, including but not limited to club seat and suite revenues (other than generated from ticket sales for non-Team related events) and concession revenues from NFL/MLS dates and Team Non-NFL/MLS Events. If the State or City imposes any incremental ticket tax or ticket surcharge (excluding any general tax increase(s)) on Team related revenues sources, such party will be obligated to reimburse the Team for any negative financial impact to the Team resulting from such tax or surcharge, as agreed to by the Team, through rent abatements or otherwise. Team acknowledges that NFL/MLS and other Team events will be subject to the City’s entertainment tax, as applicable. Team will have ability to offer Suite holders tickets to all events and to offer Club patrons the right of first refusal to purchase tickets for all commercially significant Stadium events. A limited number of General Admission tickets will also be made available to the Team for all commercially significant Stadium events. Notwithstanding the above, suite holder, club patron and general admission tickets will not be required to be made available for the NCAA Final Four, major political conventions, the Super Bowl and other such major events as mutually agreed to in the definitive documents, if any. Team shall serve as sales agent and collect revenues from all Stadium advertising within the Stadium site and all naming rights, including the stadium complex, plaza, and related areas (excluding the light rail station, if applicable), as defined further in the definitive long-form agreement. The Authority retains the right to approve naming rights in order to ensure that any such name would not be in violation of any Applicable Law or is a name that (a) could reasonably be expected to cause embarrassment to the Authority/public, or (b) is related or refers to any sexually explicit subject matter, business or enterprise or any firearms, or tobacco company.</p> <p>Team shall also have a certain amount of space in the Stadium available to Team on a year-round basis at no additional rent, and with no restrictions on access, for Team operations, sales and marketing including a ticket office, ownership and visiting owner suites, Team meeting space (e.g., board room), locker and training rooms, sponsorship space available for sponsor and other events during the year, Vikings Hall of Fame and a small amphitheater supporting the Vikings Hall of Fame, Team retail store(s), and restaurant(s). Any revenues collected from such spaces will be retained by the Team. The Team will be responsible for all costs related to operating and maintaining the Vikings Hall of Fame, Team retail store(s), and restaurant(s). The Team will also be responsible for any incremental costs, beyond the base operating and maintenance costs included in the Stadium budget, for spaces related to other Team operations. The public costs will not be increased beyond the amounts shown in Schedule B.</p> <p>All other non-Team related revenues shall be retained by the Stadium Authority.</p>
<p><b>Rent/Operating Expenses</b></p>	<p>The Authority will be responsible for all operating costs of the Stadium and plaza after payments received from the Team/Public Stadium Operating Allocation and other events. With regard to the plaza area associated with the Stadium, if the Stadium is sited in a manner that significantly increases the size/function beyond that set forth in Schedule A, as a part of the definitive documents, the Team and the Authority will mutually agree to discuss the operational impacts of the Plaza. The Team will pay to the Authority \$8.5 million per annum (inflating at 3% annually) toward Operating Expenses in the form of</p>

	<p>rent under a lease or use fees under a use agreement for use in operating expenses. In addition, 80 percent (\$6 million, as adjusted annually) of the operating allocation described in the Public Stadium Operating and Capital Reserve Allocation section set out above will be applied toward Operating Expenses.</p>
<p><b>New Major League Soccer (MLS) and Other Team Franchises</b></p>	<p>If any of the Team’s owners whose family owns at least 3 percent of the Team purchase full ownership or partial ownership in an MLS franchise, such franchise will play in the Stadium under the same operating, scheduling priority, and revenue and expense terms as applicable to the Team’s NFL franchise, at no additional rent. Notwithstanding, any reasonable marginal costs incurred by the Authority as a result of the new franchise(s) will be paid by the Team. The assumption is that no incremental costs for capital modifications or capital repairs are expected. However, any capital modifications required to support the new franchise(s) will be financed by the Team, unless otherwise agreed to by the Authority. The Team has the exclusive right to bring MLS soccer to the Stadium for 5 years after the Stadium is open. The Team intends to actively evaluate pursuing an MLS franchise during this period.</p> <p>If the Team’s owners purchase full ownership or partial ownership of franchises other than the NFL or MLS teams, the terms of the agreement to play in the Stadium will be negotiated in good faith at that time.</p>
<p><b>Tailgating</b></p>	<p>As a part of the definitive documents, the City and the Team will work together to expand the current tailgating boundaries on surface parking lots generally East and South of the Stadium understanding that certain areas will not be practical for tailgating. Once tailgating areas have been specifically identified and agreed upon, the City will amend City Ordinance Title 13,319.310 to include such areas. In addition, the City and Team will explore tailgating areas along current and future LRT lines. It is expected that any costs (e.g., cleaning) associated with tailgating on surface parking lots will be paid for by the owners of such lots.</p>
<p><b>Game-day Expenses</b></p>	<p>The Team shall pay all NFL/MLS game day and Team Non-NFL/MLS Event day expenses including any City services within the Stadium or related plaza areas.</p> <p>The City shall be responsible for all costs incurred for NFL/MLS game days and reasonable costs for up to ten (10) Non-NFL/MLS Event days (excluding any in Stadium or plaza related costs for which the Team will be responsible as described above), for City services (e.g. police/security, traffic control, fire prevention, emergency medical, street cleaning/trash removal and other similar services).</p>
<p><b>Team Sale</b></p>	<p>If the Team is sold or an interest in the Team is sold, a portion of the sale price must be paid to the Authority and deposited in a reserve fund for improvements to the Stadium or expended as the Authority may otherwise direct. The portion required to be so paid to the Authority shall be 18 percent of the amount in excess of the original purchase price of the Team, declining to zero fifteen years after the passage of Stadium legislation in increments of 1.2 percent each year. The agreement must provide exceptions for (1) sales to members of the owner’s family and entities and trusts beneficially owned by family members, (2) sales to employees of equity interests aggregating up to 10 percent, and (3) sales related to capital infusions not distributed to the owners.</p>

<b>Public Access</b>	The Authority, Team and Manager of the Stadium will work to maximize the use of the facility by attracting events that create economic, fiscal and social benefits to the State and local communities. Examples of such events include: NCAA competitions, concerts, political, civic, community, MNHSL and not-for-profit events. The Authority shall actively seek out civic/community/not-for-profit events consistent (in type and rent) with the historic operations of the Hubert H. Humphrey Metrodome.
<b>Stadium Builder's Licenses (SBL)</b>	The Authority shall own and retain the exclusive rights to sell SBLs to the Stadium. The Authority shall retain the Team to act as the Authority's agent in marketing and selling such licenses.
<b>Metropolitan Council Review</b>	Waiver of Metropolitan Council Significance Review.
<b>Seating Capacity</b>	Approximately 65,000 (expandable to 72,000)
<b>Premium Seating Inventory</b>	Approximately 150 suites and 7,500 club seats
<b>Parking / Event Venues</b>	Assumes the construction of on-site parking and the use of existing parking ramps and surface parking surrounding the Downtown East Site. Team requires that 2,000 spaces be provided within one (1) block of the Stadium with a skyway or tunnel connection to the Stadium and 500 spaces be provided within two (2) blocks of the Stadium with a dedicated walkway on gamedays for premium ticket holders. The City will use best efforts to secure the exclusive use of the Minneapolis Armory for the Team on Team Event days.
<b>LEED Certification</b>	The Stadium should be designed and constructed in a manner that provides for environmental and energy efficiency. The Authority and the Team will make an effort to build a Stadium that is eligible to receive LEED certification.
<b>Affordable NFL Game Tickets</b>	The lease/use agreement or other transaction documents shall provide for an agreed upon number of affordable tickets.
<b>Property Acquisition</b>	<p>To the extent legally permissible, the City or Authority will facilitate or, if necessary, effectuate the acquisition of any and all property required for the Stadium development project as provided for in the attached budget (See Schedule B).</p> <p>If for any reason despite the foregoing, the City or Authority is unable to facilitate or effectuate the acquisition of the Downtown East Parking property, the Team or related entities may purchase such property. If the Stadium project does not go forward, the State/MSFC will reimburse the Team or related entities for the full value of any loss incurred on the subsequent resale of this property within 3 years of purchase, based on an initial purchase price by the Team or a related entity equal to the lesser of (1) the actual purchase price, and (2) \$8 million. In the event that the Team or a related entity resells the property, the Team or the related entity will make commercially reasonable efforts to obtain fair market value.</p>
<b>Governing Law</b>	This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota.



<b>Headings</b>	The headings contained in this Agreement are for convenience only, do not form a part of the terms of this Agreement, and may not be used to aid in interpretation of this Agreement.
<b>Drafting of Agreement</b>	The undersigned agree that this Agreement was and is jointly drafted between them. Therefore, any interpretation of any ambiguity shall not be construed against one or the other.
<b>Limited Liability Assets</b>	State, City and Authority shall look only to the limited liability assets of Team and not to the assets of any partner or other person, including without limitation Team's general partner and Team owners, for the satisfaction of any obligation or debt under this Agreement.

Signature Page Follows

Zygi Wilf  
Owner/Chairman

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Mark Wilf  
Owner/ President

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Mark Dayton  
Governor – State of Minnesota

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Ted Mondale  
Chair of Metropolitan Sports Facilities Commission

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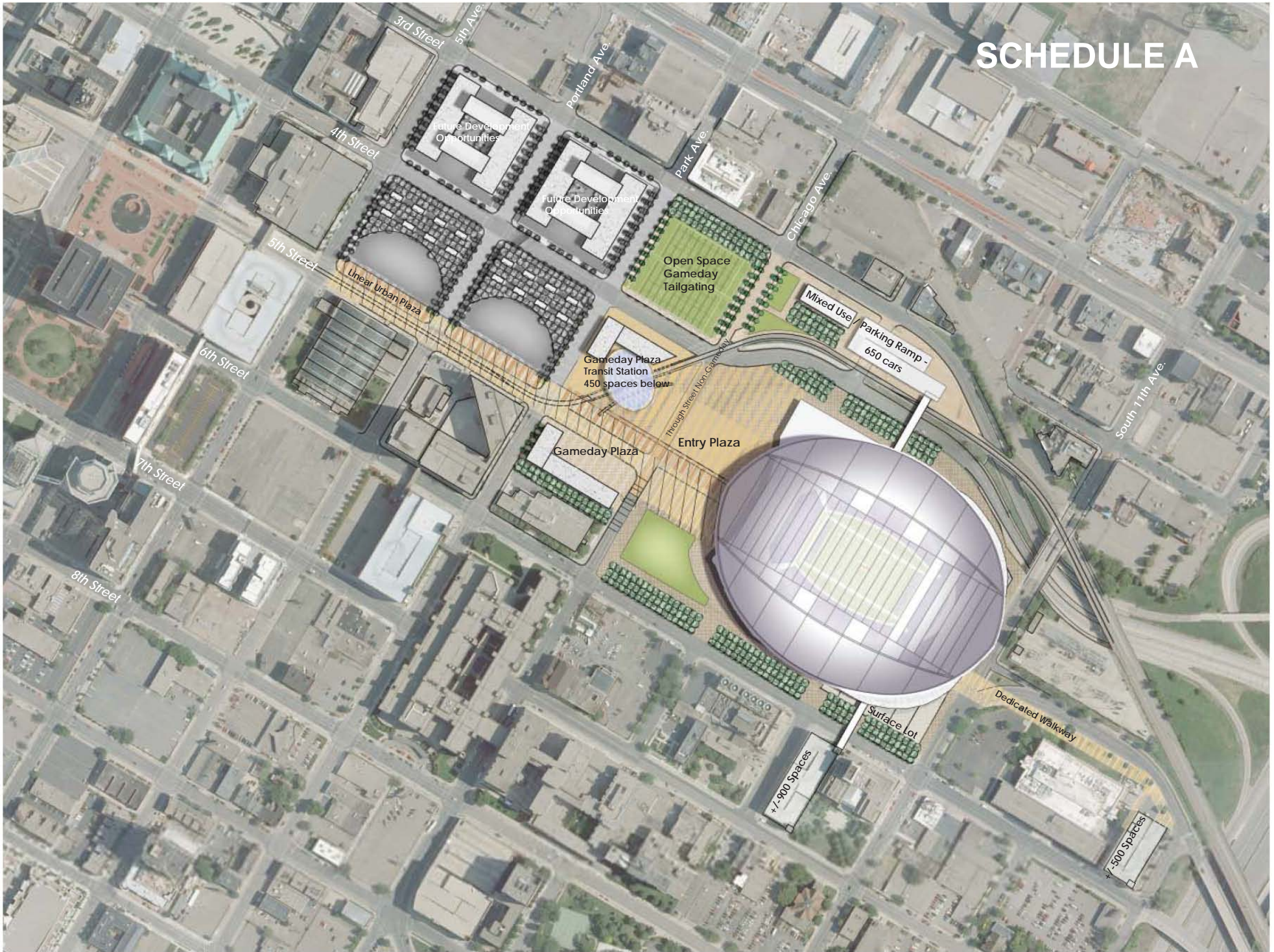
R.T. Rybak  
Mayor – City of Minneapolis

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Barbara Johnson  
City Council President – City of Minneapolis

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# SCHEDULE A



## Schedule B

# Multi Purpose Stadium Minnesota Vikings Project Cost Summary



<i>Cost Category</i>	<i>One Season at TCF</i>	
<b>Open Air Stadium Costs</b>	<b>\$</b>	<b>647,600,000</b>
<b>Stadium Enclosure and Fixed Roof Costs</b>	<b>\$</b>	<b>180,500,000</b>
 <b>Total Stadium With Fixed Roof Costs</b>	 <b>\$</b>	 <b>828,100,000</b>
<b>Stadium Premiums, Phased Construction and Site Complexities</b>	<b>\$</b>	<b>18,200,000</b>
<b>Public Infrastructure Costs</b>	<b>\$</b>	<b>81,100,000</b>
<b>Total Stadium and Infrastructure</b>	<b>\$</b>	<b>927,400,000</b>
<b>Total Site Acquisition</b>	<b>\$</b>	<b>25,800,000</b>
<b>Sub Total Project Cost</b>	<b>\$</b>	<b>953,200,000</b>
 <b>Team Cost to Play at TCF Stadium</b>		
<b>TCF - Stadium Improvements and Operating Costs</b>	<b>\$</b>	<b>14,400,000</b>
<b>TCF - Relocation Expenses</b>	<b>\$</b>	<b>7,400,000</b>
 <b>Less City Permit Fees</b>		<b>TBD</b>
<b>Less Metro SAC Sewer Availability Charge</b>		<b>TBD</b>
 <b>Total Project Cost</b>	 <b>\$</b>	 <b>975,000,000</b>
 <b>Retractable Roof and End wall</b>	 <b>\$</b>	 <b>25,000,000</b>

## Schedule C

Minneapolis Workforce Plans										
Company	Ryan Companies US, Inc – Midtown Exchange Project (May 2004)	Coloplast Corporation, Kraus-Anderson Construction Company – Coloplast Corporate Headquarter	Kraus-Anderson Construction Company, University of Minnesota Children's Hospital – Fairview Construction Project	Knutson Construction Services, Children's Hospital – Expansion/Ambulatory Care Center/Parking Ramp Project (May 2008)	McGough Construction, Artspace Project Inc., Minnesota Shubert Performing Arts and Education Center Project (July 2009)	Lund Martin Construction Inc., City of Minneapolis, Parking Ramp B Improvements and Modifications (August 2009)	Central Roofing Company/City of Minneapolis Convention Center (April 2010)	Cedar Riverside - Sherman Associates./Knutson Construction Co. - Rehabilitation of Cedar Riverside Housing ( December 2010)	American Academy of Neurology (AAN) /Mortenson Construction Co. - Construction of office building ( December 2010)	
Local Hiring Goals										
Local Residents	City Goal: 30 Achieved: 45	City Goal: 10 Achieved: 12	City Goal: 30 Achieved : 37	City Goal: 30, Achieved to Date: 31	City Goal: 30 Achieved to Date: 6	Project Goal: 8 Achieved to Date: 3,732 hours	Project Goal: 2 Achieved: 315 hours	Project Goal: 90 MPLS Residents	Project Goal: 10 MPLS Residents	
Construction Employment Goals in percentages										
Skilled Minority	City Goal: 15% Achieved: 16.8%	City Goal: 11% Achieved: 11.1%	City Goal: 11% Achieved: 11.47%	City Goal: 11% Hospital Goal: 15% Achieved to Date: 14.4%	Project Goal: 15% Achieved to Date: 16.2%	Project Goal: 12% Achieved to date: 9.9%	City Goal: 11% Project Goal: 15% Achieved: 41.9%	City Goal: 11% Project Goal: 15%	Project Goal: 15% combined	
Unskilled Minority	City Goal: 20% Achieved: 20.8%	City Goal: 11% Achieved: 21.8%	City Goal: 11% Achieved : 20.17%	City Goal: 11% Hospital Goal: 20% Achieved to Date: 16.3%	Project Goal: 15% Achieved to Date: 16.3%	Project Goal: 13% Achieved to Date: 26.8%	City Goal: 11% Project Goal: NA	City Goal: 11% Project Goal: 15%	Project Goal: 15% combined	
Female	City Goal: 5% Achieved: 6.8%	City Goal: 6% Achieved: 7.7%	City Goal: 6% Achieved: 6.10%	City Goal: 6% Hospital Goal: 6% Achieved to Date: 4.8%	Project Goal: 6% Achieved to Date: 5.4%	Project Goal: 8 to 6% Achieved to Date: 6.5%	City Goal: 6% Achieved : 3.8%	Project Goal: 8%	Project Goal: 6%	
Construction Subcontracting Goals in percentages										
Minority-Owned Businesses	City Goal: 13% Achieved: 14%	City Goal: 9% Achieved: 9.2%	City Goal: 5% Achieved: 7.09%	City Goal: 13% Achieved to Date: 8.2%	City Goal: 10% Achieved to Date: 10.5%	City Goal: 7% Achieved to Date: 16.5%	City Goal: 7% Achieved: 7.02%	City Goal 10%	Project Goal: 10-15% combined	
Women-Owned Businesses	City Goal: 11% Achieved: 16%	City Goal: 8% Achieved: 8.1%	City Goal: 5% Achieved: 7.15%	City Goal: 11% Achieved to Date: 13.2%	City Goal: 11% Achieved to Date: 12.8%	City Goal: 9% Achieved to Date: 9%	City Goal: 8% Achieved : 8.41%	City Goal 8%	Project Goal: 10-15% combined	