

## **Summary of the Development Agreement between Minnesota Sports Facilities Authority and Minnesota Vikings Football, LLC**

The Development Agreement (DA) generally sets out the agreement on how the development and construction will be handled between the MSFA and the Vikings.

### **Article 1 – Definitions, Rules of Construction and Preliminary Development Agreement**

#### **Article 2 – Stadium Design and Construction Group**

- Defines the Stadium Design and Construction (SDC) Group membership and responsibilities.
- Description of the Guaranteed Maximum Price (GMP) process and dispute resolution.

#### **Article 3 - Retention of Architect, Construction Manager, Project Consultants and Critical Design Decisions**

#### **Article 4 – Preliminary Program and Development of Master Project Program**

#### **Article 5 – Establishment of Minimum Design Standards and Design Development Documents**

- Establishes Minimum Design Standards
- Acknowledges that the roof is fixed and the stadium will have an operable door feature which will be part of the Master Project Budget.
- Costs associated with changes to the Minimum Design Standards will be paid for by the requestor.
- The stadium will be LEED certified.
- SDC group will make all design decisions about amendments to the Minimum Design Standards up to and after GMP.

#### **Article 6 – Construction Matters**

- Role of Stadium Developer, MSFA
- Value engineering will be allowed if the budget is compromised, if the changes are in alignment with the Minimum Design Standards.
- The Construction Manager will obtain SDC approval for all subcontracts.
- Stadium Developer Responsibilities: Administration; Contract Negotiation; Reporting; Competitive Bidding; Budget and Value Engineering; Payments; Contract Legal Administration; Punch List and Warranty; Transportation plan with city; permits.
- Project labor agreement to prevent strikes so as to not halt, delay, or impede construction.
- Description of insurance needed for project, including builder's risk.

#### **Article 7 – Site Acquisition**

## **Article 8 – Financing of the Project**

- Master budget is \$975 million.
- A Privately Financed Contingency Advance provided by the Team of \$13.1 million has been added to the budget.
- Describes the development process for the Master Project Budget.
- Describes Owner's Contingency of \$37.5 million.
- Details the apportionment of cost saving to the Team and the Authority:
  - First \$10 million cost savings divided 50%/50% between the Team and Authority
  - Cost savings for both Team and Authority will be used to incorporate the Design Add Alternatives listed in the exhibits.
  - Team's private contribution, including how Stadium Builder Licenses (SBL) will be counted.
  - Team will provide executed definitive financing agreements for Team's portion of stadium prior to Authority allocating resources to the project.
  - Authority's contribution of appropriation bonds for public portion of the stadium construction.
- Describes the project financing and how SBL's will be administered.
- The Stadium Developer will be responsible for cost over runs, but the Authority and state will not be liable to contribute in excess of \$498 million.
- Authority shall own stadium.
- Describes the Team's right to pay for excess Project Costs if it so desires.
- Due Diligence
  - Required Financial Due Diligence as project cost: \$158,000
  - Vikings will pay for additional due diligence costs related to New Jersey lawsuit: \$219,000

## **Article 9 – Representations and Warranties of Authority**

- Describes the Authority's organization

## **Article 10 – Representations and Warranties of the Team**

- Describes the Team's organization

## **Article 11 – Additional Covenants and Conditions**

- The Authority will enter into agreements for traffic control.
- Team to enter into an agreement with the City for municipal services: police and security; fire prevention; emergency medical; trash removal.
- Team will engage with the city to expand the current tailgating boundaries.
- Existing food and beverage workers have the opportunity to continue their employment at the new stadium.
- The Team will play at TCF Bank Stadium until such a time as the new stadium is ready.

- Concurrent Execution of Documents: Stadium Use Agreement; Football Playing Agreement; Agreement and Declaration of Trust for Stadium Construction Funds; Stadium Disbursing Agent and Grant Agreement.

#### **Article 12 – Default and Remedies**

#### **Article 13 – Dispute resolution**

- Describes process of arbitration.
- Describes expedited alternative dispute resolution process.

#### **Article 14 – Indemnification and Payment of Damages by Team and Authority.**

#### **Article 15 – Term and Termination**

#### **Article 16 – Miscellaneous**

#### **Exhibits**

EXHIBIT A	SDC Group Rules and Procedures (Section 2.1)
EXHIBIT B-1	Preliminary Program (Section 4.1)
EXHIBIT B-2	Master Project Program (Section 4.2)
EXHIBIT C-1	Effective Date Minimum Design Standards (Section 5.1(a))
EXHIBIT C-2	Final Minimum Design Standards (Section 5.1(a))
EXHIBIT D-1	Effective Date Stadium Site (Section 5.1(b))
EXHIBIT D-2	Final Stadium Site (Section 5.1(b))
EXHIBIT E	Minneapolis City Council Agenda (Section 5.6(b))
EXHIBIT F-1	Preliminary Project Budget (Section 8.1(a)(i))
EXHIBIT F-2	Master Project Budget (Section 8.1(a)(ii))
EXHIBIT G	Owner’s Contingency Release Schedule (Section 8.1(b)(i)(A))
EXHIBIT H	Amended Allocation of Project Costs (Section 8.1(c))
EXHIBIT I-1	Authority Design Add Alternates (Section 8.1(e)(iii)(A))
EXHIBIT I-2	Team Design Add Alternates (Section 8.1(e)(iii)(B))
EXHIBIT I-3	Authority Project Cost Allocation Reductions (Section 8.1(e)(iii))
EXHIBIT I-4	Team Project Cost Allocation Reductions (Section 8.1(e)(iii))
EXHIBIT J	Irrevocable Letter of Credit (Section 8.2(a)(v)(A))
EXHIBIT K	Bank Loan Commitment (Section 8.2(a)(v)(C))
EXHIBIT L	Indemnification and Contribution Agreement (Section 8.7(a))
EXHIBIT M-1	Authority Stadium Builder License Program (Section 8.7(b))
EXHIBIT M-2	SBL Marketing and Sales Agreement (Section 8.7(b))
EXHIBIT N	SBL Purchase and Sale Agreement (Section 8.7(b))
EXHIBIT O-1	Conditional Assignment of Construction Management Agreement (Section 8.7(d))

- EXHIBIT O-2 Conditional Assignment of Architectural Services and Plans (Section 8.7(d))
- EXHIBIT P-1 Preliminary Team's Stadium Property Schedule (Section 8.10(c))
- EXHIBIT P-2 Final Team's Stadium Property Schedule (Section 8.10(c))
- EXHIBIT Q Roster of Potential Neutrals (Section 13.1(b)(i))
- EXHIBIT R-1 Preliminary Project Schedule (Schedule 1)
- EXHIBIT R- 2 Master Project Schedule (Schedule 1) [ATTACHED LATER]