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The Saint Paul Port Authority (SPPA) will sign a Master Lease Agreement with R.K. Midway, current owner of the property being discussed as part of the soccer stadium. SPPA would be the Master Tenant and Sublandlord for tenants in the mixed-use project.



2

## 120 DAYS

Upon lease signing, SPPA will have 120 days to do the due diligence needed to ensure the financial viability of the project, determine the cost of environmental remediation and select a development partner.



3

## Joint Venture

The Master Lease will eventually be reassigned to CCP.\* CCP will enter into a Joint Venture with a development partner and the lease will then be reassigned to the Joint Venture. An LLC will be formed between both parties. Ownership percentages are TBD.



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All partners in the Joint Ventures will have the option to purchase a portion of the property from R.K. Midway, based on their ownership percentage in the Joint Venture.

CCP does not intend to be a long-term owner. The intent is for a development partner to move forward with purchasing the property.

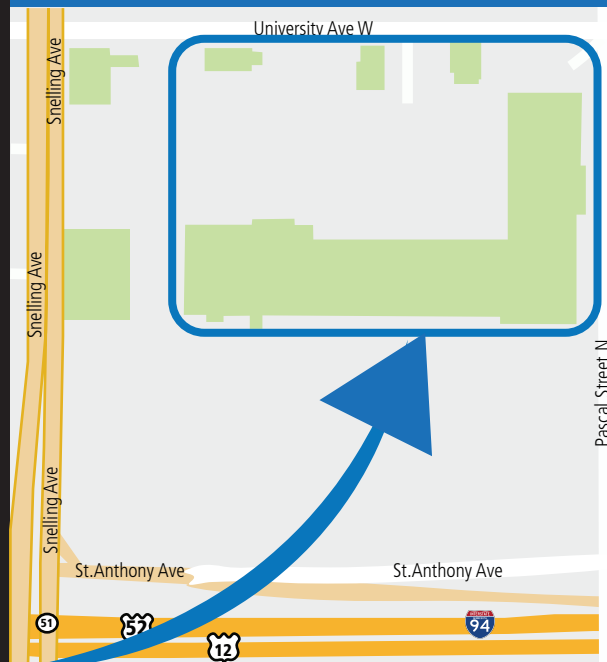
## SPPA/CCP SAFETY CLAUSES

SPPA may break the Master Lease Agreement in any of the following cases:

- ✓ A Joint Venture IS NOT created with a commercial real estate developer
- ✓ Any required permits, consents or approvals tied to the construction and development of the soccer stadium ARE NOT received and/or issued
- ✓ The existing mortgage lender DOES NOT provide consent
- ✓ Environmental clean-up costs exceed negotiated amount (SPPA will seek grants and other financing options)

## Property Impacted

Approximate Area in Blue Box



## CCP\*

Capital City Properties (CCP) is a separate 501(c)(3) nonprofit organization created to relieve the burden of government in the funding of SPPA projects. CCP generates revenue through a variety of sources, including new market tax credits, joint venture partnerships and investment earnings. Approximately 32 percent of SPPA expenses are projected to be paid through CCP in 2017.