

DEVELOPMENT AGREEMENT

by and between

CITY OF SAINT PAUL

and

MUSC HOLDINGS, LLC

Dated effective as of April 1, 2016

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DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (this “Agreement”) is dated effective as of the 1st day of April, 2016, by and between the City of Saint Paul, a municipal corporation of the State of Minnesota (the “City”), and MUSC Holdings, LLC, a Minnesota limited liability company (the “Team”).

BACKGROUND

A. The City has acquired the right by lease to the former bus barn property on the north side of Interstate 94 and Snelling Avenue at 400 Snelling Avenue, Saint Paul, Minnesota, consisting of approximately 10 acres (the “Bus Barn Property”) pursuant to the Net Ground Lease dated April 1, 2016, between the City and the Metropolitan Council.

B. The Team and its wholly-owned subsidiary, Minnesota United Soccer Club, LLC, a Minnesota limited liability company (the “Club”), have entered into a letter of intent with Major League Soccer, L.L.C., a Delaware limited liability company (“MLS”), pursuant to which the Club’s professional soccer team will play its home games in a stadium to be constructed by the Team in the Minneapolis/Saint Paul metropolitan area at a location approved by MLS and that meets the requirements of MLS (the “Stadium”).

C. The City and the Team desire that the Team design and construct the Stadium on certain portions of the Bus Barn Property and any adjacent land secured by the Team and transferred or assigned to the City (the “Team Acquired Property”) (together, called the “Stadium Site”) where the Club will play its home games in MLS once the Stadium has been constructed as provided in the Playing and Use Agreement dated effective as of the date hereof (the “Use Agreement”) between the City and the Club, that the parties thereto are entering into contemporaneously with the execution of this Agreement. The Team will be responsible for and pay the cost of the design and construction of the Stadium. Under the Use Agreement, the Club shall provide public use of the Stadium, including club and high school soccer tournaments, and support youth sports in the community, the state and in particular the City, including non-profit soccer organizations and amateur soccer programs, and, commencing as provided in the Use Agreement, pay to the City annual rental equivalent to the annual rental payable by the City to the Metropolitan Council under the Net Ground Lease.

D. The Team has secured the approval of MLS for the Stadium Site as the location for the Team to design and construct the Stadium where the Club will play its home professional soccer games in the League and the Team has committed to MLS and the City to design and construct the Stadium in accordance with MLS requirements.

E. The Stadium Site is part of the approximately 34.5 acre parcel bounded by Snelling Avenue, University Avenue, Pascal Avenue and Interstate 94 (the “Midway Development Site”). As a material inducement for the Team to locate, design and construct the Stadium on the Stadium Site, the City will lead a master development plan (the “Master Development Plan”) for the Midway Development Site with involvement from the surrounding community, land owners and the Team. Under the Master Development Plan, and subject to approval of the City Council and Mayor of the specific improvement projects identified and

proposed in the Master Development Plan, the City will (a) participate in the funding of building the public streets, sewers, storm water management and parking lots/structures necessary for the redevelopment of the Midway Development Site, (b) enter into a public private partnership for the construction and maintenance of green spaces or public plazas, (c) collaborate with the Team on the design of public plazas and green spaces contiguous to the Stadium, and (d) engage a consultant to prepare a Transportation and Parking Study to encourage bike and transit use, maximize transportation and parking options, and ease congestion.

F. The City and the Club, and if applicable, RK Midway, intend to enter into a separate agreement for the design, construction, improvement, operation and maintenance of the Midway Green Spaces upon transfer of the Midway Green Spaces to the City (the "Midway Green Spaces Agreement"), as described in Section 4.3(b).

G. The City, Team and Metropolitan Council intend to enter into a separate Environmental Project Management Agreement (the "Environmental Project Management Agreement"), as described in Section 3.2(a).

H. The City has determined that the construction and operation of the Stadium, the implementation of the Master Development Plan and the performance of this Agreement are in the best interests of the City and serve a public purpose, and the City has passed Resolution 15-1539, dated August 26, 2015 in relation to the Stadium and Master Development Plan. Among other things, the construction and operation of the Stadium will: (i) provide a multi-purpose stadium and related infrastructure for professional soccer and other events; (ii) further the vitality of the Midway Development Site by generating increased economic development; and (iii) further economic development and stimulate the local economy overall.

I. This Agreement is executed to provide for the planning, design, development, and construction of the Stadium, the City's intentions with respect to the Master Redevelopment Plan and the involvement of the Team in the Master Redevelopment Plan.

NOW, THEREFORE, in consideration of the foregoing Recitals, which are hereby incorporated into this Agreement, and the mutual promises, undertakings and covenants hereinafter set forth, and intending to be legally bound hereby, the City and the Team covenant and agree as follows:

ARTICLE 1 DEFINITIONS

Section 1.1 Defined Terms.

In addition to other terms defined herein, the following terms used in this Agreement shall have the meaning set forth below:

"Affiliate" of a specified Person shall mean any corporation, partnership, limited liability company, sole proprietorship or other Person that directly or indirectly, through one or more intermediaries controls, is controlled by, or is under common control with the Person specified. For purposes of this definition, the terms "controls," "controlled by," or "under common control"