

**REQUIRED COVERSHEET FOR SUBMISSION OF INFORMATION  
FOR A STADIUM PROPOSAL**

Identify the Respondent by providing the names and addresses of each individual and/or entity participating in this submission:

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If the one of the entities listed above is a governmental entity formed under a joint powers agreement or an entity or organization which includes more than one public or private entity, please identify all of the entities or organizations which are members or participants of the Respondent:

This submission includes a proposal for a:

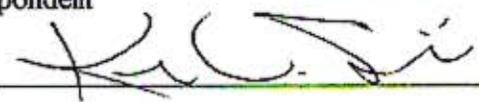
- Baseball Stadium
- Football Stadium
- Combined Facilities

**CERTIFICATION AND WAIVER**

The Respondent acknowledges that the submissions and the information contained therein are not confidential and all of the information contained in the submissions or provided to the stadium screening committee may be given to the public, to members of the Pawlenty Administration and/or to other persons or entities as deemed appropriate by the Screening Committee or the Administration. Respondent affirmatively states that it has the legal right to submit the enclosed information to the Screening Committee without any restriction on the Screening Committee's future disclosure or use of the information. Respondent waives any copyright or any other claim of propriety, right of control, or limitation of use in relation to the information submitted. Respondent further agrees to hold the members of the Screening Committee, the State of Minnesota, its agents and employees, harmless from any and all claims or lawsuits that may arise from the Respondent's activities related to its submission, including any claim for negligence, breach of contract, or any other claims alleging wrongful acts or omissions by Respondent, or the Respondent's independent contractors, agents, employees or officers.

Kevin Von Feldt

Respondent \_\_\_\_\_

By  \_\_\_\_\_

Its \_\_\_\_\_

EAGAN SPORTS/ENTERTAINMENT COMPLEX SUBMISSION

## ***Eagan Sports/Entertainment Complex***

The proposed Eagan complex will be located on 317 acres bounded by Cedar, Highway 13, the Minnesota River and Yankee Doodle Place. It will contain the following components:

- a) ***A football stadium with a capacity of 68,500, expandable to 72,000 seats per specifications of the Minnesota Vikings. (23 acres)***
- b) ***A baseball stadium with a capacity of 42,000 per the specifications of the Minnesota Twins. (16 acres)***
- c) ***A theme park licensed from a major theme park company. (110 acres)***
- d) ***A convention facility capable of attracting large scale events. (20 acres)***
- e) ***Theaters: (all incorporated into “Old Chicago” and “Bourbon Street”)***
  - I. 3,400 seat “Broadway” touring theater***
  - II. 800 seat dinner theater***
  - III. 1,400 proscenium theater w/in-house produced musicals utilizing local talent..... will serve as a training ground for actors, stagehands, etc. combined with professional designers and directors.***
  - IV. 600 seat drama house with the same philosophy as the musical theater.***
  - V. 1,400 “Vegas” showroom with 800 booth & table seats plus 600 rocker chairs***
  - VI. Computerized “marionette” theater with children programming.***
  - VII. 800 seat children’s theater.***
  - VIII. Eight stylized first-run motion picture theaters scattered throughout Bourbon Street and Old Chicago.***
- f) ***Four 800 room hotels with Starwood brand names including Westin and “W”. (24 acres)***
- g) ***Entertainment/Sports/Historical Museum with celebrity art museum and Madame Tussaud’s Wax Museum or equivalent. Annual acquisition budget. (16 acres)***

- h) Bourbon Street & Old Chicago. Contains stylized shops, nightclubs, theaters and restaurants. (20 acres)**

**Contains six individual nightclubs featuring the following holographic presentations:**

- 1. Speakeasy featuring seventeen piece orchestra consisting of deceased celebrities such as Abe Lincoln and John Belushi side by side in the sax section. John Wayne and John Lennon playing trumpet. John Candy on drums.....Chaplin and Lucille Ball on trombone.....Alfred Hitchcock on bass....Indiscernible solid human images developed in association with the Technifex special effects company.**
- 2. MOR” room featuring concert versions of musical such as “Mamma Mia” and “Chicago”.**
- 3. Country room featuring current artists such as Tim McGraw, The Dixie Chicks or Shania Twain.**
- 4. “The Delta Queen” featuring an all-star lineup such as Pete Fountain and Doc Severinsen playing Dixieland**
- 5. Rock & Roll featuring two rotating shows with artists such as Brian Wilson and Paul Simon.**
- 6. Kid’s Club: 70 minute all cartoon revue featuring twenty-three segments such as “Chicken Run” characters performing Lord of the Dance, plate-spinning octopus with “Saber Dance” theme, Sponge Bob Patrick’s Smothers Brothers send-up as well as a wild and scary animal morphing sequence with jungle percussion performance.**

**Alvin & the Chipmonks vocal**

**Warner Bros.cartoon characters perform Tijuana Brass and Baja Marimba Band classics.**

**“Grommet” claymation performance of Marvin Gaye classic, “What’s Goin On”.**

**Alvin & the Chipmonks number.**

**“Lego” stop motion segment with transformation of pile of Legos into four singer/dancers performing “Cotton Club” number.**

**“Red Hot Momma” Pig Lady Toons w/rousing gospel revue**

**Durante’s “It’s a Wonderful World” w/Fred Flintstone**

**Animated female bear: Trisha Yearwood’s “That’s What I Like About You”**

- i) Picnic/RV area. (10 acres)**
- j) a Monorail connecting all complex elements.**
- k) a 165,000 square foot casino located underneath the four hotels**
- l) Parking lot and ramp (39 acres)**
- m) Light Rail Transit Station (5 acres)**

The Hiawatha Light Rail Line will be extended from the Mall of America to the transit station near Cedar and Highway 13. The cost is included in the complex budget.

The complex is designed to create demand for the hotel rooms at 91%. This will ensure that the casino generates revenue with a range of \$600-850M annually, a necessary requirement if the complex is to generate the outlined benefits for all participants including the State general fund.

Using an annual gaming figure of \$600,000,000 produces the following:

- 1) \$2.4B in gaming construction funds are realized during the four year build ending in 2008.
- 2) \$300,000,000+ annual payment to the State beginning in 2008. At this point the State holds a second position on the complex for its \$1.2B in deferred gaming percentage. The \$900M in stadium bonds hold the 1<sup>st</sup>.
- 3) \$900M in stadium bonds are retired from 2008-11 by the complex's gaming share not the State's 50% share.
- 4) \$ 1,200,000,000 in deferred State gaming proceeds that funded the complex construction is repaid from 2011-15.

Using annual complex profits of \$300,000,000 beginning in 2008 produces the following:

- 1) 1<sup>st</sup> year distributions:

Minnesota Twins	\$ 15,000,000
Minnesota Vikings	15,000,000
Light Rail Construction	75,000,000
Gopher Football Stadium	60,000,000
Theme Park Company	30,000,000
Light Rail Operating Subsidy	15,000,000
City of Eagan	15,000,000
Minnesota Housing Finance Agency	15,000,000
Canterbury Downs	7,500,000
Horseman's Association	7,500,000
Red Lake/White Earth Coalition	15,000,000
K-12 Construction Subsidy	15,000,000
Scholarship Funds	15,000,000

At this rate the Gopher stadium would be funded or advanced funds repaid by 2013.

\$750,000,000 in light rail funding would be realized by 2015, the year the complex begins receiving its 50% share of the gaming revenue. This should bump annual complex profits to at least \$600M.

The \$2.0B light rail cap should be reached by 2019, eleven years after the complex opens. At this point the State's gaming percentage rises to 65%, approximately \$400-550M annually. Additionally, by 2015 the scholarship fund will receive approximately \$55M annually with the K-12 construction fund receiving \$110M.

***The annual complex profit of \$300,000,000 is realistic because none of the complex revenue, exclusive of gaming, is used to service the debt, retired exclusively with gaming funds..***

The \$2.0B in light rail funding will equal \$4.0B if matched by the federal government. This would allow the following to be built without one dollar in State or local funds:

1. An extension of the Hiawatha Line from 13<sup>th</sup> Cedar to the Apple Valley Transit Station connecting the complex with the Minnesota Zoo.
2. The Northstar Corridor
3. The Central Corridor between the Saint Paul & Minneapolis loops.
4. The Red Rock Line from Hastings to Saint Paul.
5. The Rush Line from Forest Lake.
6. The Southwest Corridor from Eden Prairie to downtown Minneapolis.
7. Possible link between downtown Saint Paul and the Airport with connections to the Eagan complex.
8. The Dan Patch Line

The light rail and commuter rail subsidy will rise with the addition of gaming revenues and keep pace with the continuing rail construction.

### ***Public Support for Casino & Location***

All recent public opinion polls show overwhelming support for stadium financing that involves gaming. Polls also show support for State participation in gaming receipts. The Eagan scenario accomplishes both without the involvement of the State's share in stadium financing.

Public opinion polls also clearly show a preference for a site near the former location of Metropolitan Stadium. The Eagan complex would be three miles from that site and connected by light rail. The Minnesota Twins would realize a net gain on weekday day games because of the high tourist and convention count within the complex. This would more than offset any losses from downtown weekday fans. The Minnesota Vikings attendance would not be affected adversely in any fashion by the site.

There is strong support for the legitimate argument that the Eagan casino would be an unwanted expansion of gaming. Unlike other casinos, the Eagan facility would be on a subterranean level underneath all four hotels. Effectively, at 160,000+ square feet, the largest casino in the United States would not be seen by anyone unless they were physically within the gaming area. It would be dwarfed by the numerous elements of family entertainment with strict enforcement of a rigid code of conduct in keeping with a complex of this nature.

The Eagan facility would not be an expansion of gaming. 50% of the gaming revenue will likely come from Mall of America visitors, convention participants and complex destination tourists. Money from outside the State coming into the general fund. The likely source for the other half will be a redistribution of existing gaming revenues concentrated in the three metro area casinos. This is the only method that allows the State to participate in the gaming windfall enjoyed by these casinos and not enjoyed by the balance of Native American casinos throughout the State.

Individual tribal members are receiving annual payments of approximately \$1,000,000. If 1/3 of the net from each metro tribal casino were diverted to the Eagan complex, the only casino paying the State a percentage, tribal members would still receive \$650,000 per year, undoubtedly acceptable to Minnesota voters. Another factor is Minnesotans gaming in Wisconsin. One has but to check the parking lot of the Saint Croix Casino in Turtle Lake, Wisconsin to realize how much money is leaving the State via gaming.

Published reports quote an Ernst & Young analysis estimating annual gaming revenues of \$1.0B for a Mall of America area casino. Other experts cut that figure in half. For this submission, annual gaming revenues of \$600M have been used. Any casino that would actually be located on Mall of America property would divert the majority of money to Nevada gaming interests and the Mall of America ownership, leaving none available for stadiums or other potential participants without tapping into the State's share.

*The Eagan site is the only location that solves all three stadium problems, provides the State up to \$500M annually, creates 18,000 new jobs, funds \$8.2B in new construction and pays participants as described.*

## **Participant Benefits**

### **THE SPORTS TEAMS**

Both the Minnesota Twins and Minnesota Vikings receive 5% of the complex profits, approximately \$15M each annually. This will serve to provide additional cash flow for the teams exclusive of the new revenue streams created by the new stadiums and parking facilities. This will serve to neutralize the small market disadvantage and make the teams more competitive. Stronger Twins and Vikings teams contribute to the economic health of the entire complex, bolster two important elements of Minnesota culture and increase the likelihood of national television exposure of the entire complex with playoff activity.

### **THEME PARK COMPANY**

The compensation that the theme park company receives is necessary to ensure their inclusion in the project. Their consultations as to complex design, layout and attractions are invaluable. The presence of their icon attractions, characters and signature parades ensures capacity business in the entire park through destination tourists, convention business and Mall of America out-of-state guests. It will also likely increase traffic at the Mall itself.

### **FUTURE LIGHT RAIL**

The \$2.0B in light rail contributions will translate into \$4.0B with matching federal funds. The construction of these lines will impact metro commuters for generations to come. It will also serve to connect the complex with the Minnesota Zoo, opening up joint promotional possibilities that will make for a healthier zoo and create another attraction for the complex. It will also make the complex available to the entire metro area via light rail and commuter rail. Finally, the 18,000 complex employees will be required to use the line to come to work, lessening parking demand and contributing to the financial health of the rail system.

### **LIGHT RAIL OPERATING COSTS**

The light rail operating cost contribution, initially \$15M annually rising to \$30M by 2019, will lessen taxpayer subsidies. The massive amount of future construction funded by the complex will also serve to lower the per mile operating cost.

### **UNIVERSITY OF MINNESOTA**

The University will receive \$300M in unconditional funding for its stadium needs. Naming rights and other ancillary income will be realized solely by the University. If desired, it would be free to name the stadium after a figure important to the University on the basis of academic achievement and/or athletic accomplishments. It would not be forced to tie the funding to the naming of the facility.

### **CITY OF EAGAN**

As host city, Eagan deserves the \$15-30M payment it will receive each year. The possible uses for this funding are infinite. The purchase of open space land, community theater subsidies and facility construction, community center programs, additional fire and safety personnel and equipment are just a few. The complex itself will fund all fire and safety required within and will establish substations at its own expense. Not one penny of Eagan dollars will be used for the complex.

## **CANTERBURY DOWNS/HORSEMAN'S ASSOCIATION**

The inclusion of these two entities will serve to strengthen the track without turning it into a casino. The operation of the track is an important aspect of Minnesota agriculture. Shuttle service from the complex to the track during racing sessions would be a mutually beneficial program.

## **NORTHERN TRIBES**

The contribution to the Northern tribes will allow them to participate in the gaming windfall now enjoyed exclusively by the three metro tribal casinos without establishing an additional Native American stand alone casino in the Minneapolis/Saint Paul metropolitan area, a proposition not supported by Twin Cities residents.

## **K-12 CONSTRUCTION FUND**

This will be an ongoing source of funding for the construction of K-12 educational facilities in school districts throughout the State. The funds could be distributed in a fashion that would require individual districts to match the contribution. Eventually, \$120M+ will be used for K-12 construction each year.

## **SCHOLARSHIP FUNDS**

Initially, \$15M will be available for a \$2,500-a-year, four year scholarship each year. This will grow to \$30M+ as the years go by. This would assist 24,000 students each year and possibly open the door to matching corporate contributions. If desired the complex would administer this program, at its cost, so that 100% of the funds would go directly to students.

## **MINNESOTA HOUSING FINANCE AGENCY**

Initially, \$15M will be available annually for affordable housing. This will grow to \$30M+ when the light rail cap is reached.

## I. Site

### *1. Location/Size*

The proposed site is a 317.067 acre area in the City of Eagan bounded by Highway 13, Cedar Avenue, Yankee Doodle Place, and the Minnesota River. Abutting the river, a six lane freeway and industrial/commercial property mitigates noise and traffic issues.

Dedicated 13/Cedar interchange exits and entrances will connect to the main parking ramp. A continuous loop monorail will connect the ramp to all elements of the complex.

A sufficient number of monorail cars will be available for peak demand. The site is large enough to accommodate the capacities and designs desired by the Twins and Vikings with stadiums anchoring both ends of the development.

There are fifty-three individual property owners. Currently 130.827 acres within the site are vacant. The majority of landowners have expressed a willingness to sell their properties. Mr. Ron Have, the largest single owner of property within the site other than the Met Council, and Duke Realty, the owner of the Silver Belle Commons building and Sibley property, have both confirmed their asking price and willingness to sell in writing.

The Met Council, US Government and City of Eagan own 110.749 acres within the site. A 61.711 acre parcel adjacent to the Minnesota River is owned by the Council contains a sewage treatment facility and cannot be used. Excluding this parcel, there is still 317 usable acres. If necessary, the site could be expanded to close to 400 acres by extending the eastern border to Yankee Doodle Road.

With the exception of Duke Realty's Silver Belle Commons building located on a 16.599 acre parcel, all existing structures will be razed. The Silver Belle Commons would house the temporary casino during the complex construction period and eventually be the permanent home of the complex's entertainment/sports museum as well as the wax museum.

With the exception of twenty-one single family residences, all parcels are either vacant or contain commercial/industrial buildings. In 2000, twelve of sixteen owners of the residential property expressed a willingness to sell at a favored nation's price of \$75,000 plus the average of two appraisals. The other four property owners could not be reached. The philosophy will be to pay more than appraisals and eminent domain level compensation. On a \$4.2B complex with expected gaming revenues approaching \$1.0B annually, the unique location three miles from the Mall of America dictates that property owners should be well compensated for contributing to this project that serves the public need, both statewide and for the metropolitan area.

Without acceding to extortive demands, every effort will be made to acquire the property without the use of eminent domain. Under the normal set of circumstance, this would make the project cost prohibitive. The potential income stream from the complex elements makes this the *right* thing to do.

## ***2. Accessibility***

The site is easily accessible from all points of the metropolitan area and out state as well. It is adjacent to the six lane Cedar/77 highway and a few short miles from Interstates 35 and 494. (see area location map) It is only three miles from the former site of Metropolitan Stadium, the former home of the Twins and Vikings. Numerous public opinion surveys have shown that both local and out state Minnesota sports fans prefer a site near the former location of Met Stadium.

Additionally, the proposed light rail extension from the Mall of America to 13/Cedar, the cost of which is included in the complex construction budget, will allow all riders of public transit to access the site conveniently and with speed.

The proposed complex will contain a 10,200 capacity parking structure near the Viking stadium similar to the new facility at Disneyland in California. Walker Parking Systems, the designer of the Disneyland structure will oversee this important element to the complex. The parking facility will have an ingress capacity of 4,200 cars per hour.

Walker will also supervise the construction of an open air lot adjacent to the baseball stadium that will create an additional 5,000 spaces on 25 acres. Underground ramps will be incorporated into the four hotels. The combined parking capacity will be able to handle not only game day demands but the patrons of the theme park, hotels and other attractions as well. In addition to the overnight RV Park, special transient RV parking will be available. If parking demand warrants it, a new structure could be built on the site of the open air lot.

A monorail system with heavy demand multiple car capacity will connect all complex areas with parking and the light rail transit station.

## II. Financing

(see Exhibit B) The complex, including the stadiums would be owned by a newly formed Minnesota Corporation operating as Von Feldt Entertainment, Inc. As described in Exhibit B, Von Feldt Entertainment would receive no income until the light rail cap is reached, Approximately 7-10 years after the complex opens.

The stadiums would be financed with \$900M in bonds authorized by the proposed legislation. Since these bonds would hold a 1<sup>st</sup> position on the \$4.225B complex and would be retired with 50% of the gaming proceeds above \$2.4B (\$250-300M annually), the bonds are without risk. There will be no public or private investment required from the State, Dakota County, the City of Eagan, the teams or any other entity. Any tax revenue generated from current taxes or taxes imposed in the future will be retained in full by the taxing agency or entity.

## III. Local Government and Community Support

The proposed legislation not only requires the approval of a constitutional amendment authorizes the casino but requires that a majority of Eagan voters casting ballots for the measure also approve it. This ensures that the residents of Eagan support the complex, including the two stadiums, the theme park and the casino. As in all developments within Eagan, approvals would be needed from the City Council once Eagan voters have approved the project.

There are numerous benefits to Eagan aside from the prestige a complex of this nature will bring to the City

***Upon opening of the casino, each owner of an Eagan single family residence will receive an annual payment equal to their 2004 property tax bill plus annual inflation adjustments.***

These total payments each year of approximately \$32,000,000+ will be paid as a gaming expense to mitigate the presence of the complex, including the casino.

With profit participation, hotel room taxes and property taxes, Eagan should realize at least \$25M the 1<sup>st</sup> year the complex operates. This will increase to \$40M annually once the gaming net retires the stadium bonds and the deferred State percentage used for construction. This revenue could fund community programs and City improvements each year.

Since the location is bounded by the Minnesota River, a six lane freeway, an industrial/business area and the currently underutilized Cedarvale center, it will have minimal impact on Eagan residents and prove to be a boom for the City's redevelopment plans and desires for Cedarvale.

Eagan and Dakota County commuters will enjoy free park and ride privileges at the Cedar/13 light rail station. Horrendous commutes will be replaced by a quick stress free trip to work using the light rail.

## ***EXHIBIT A***

### **I.     *Funding of Temporary Casino***

The State would agree to guarantee a \$60-75M bridge loan to fund the renovation of the Silver Belle Commons building located within the proposed entertainment/stadium complex site. This would be repaid out of 1<sup>st</sup> revenues from the temporary casino. This casino would operate during the complex construction period and contribute \$2.4B in funding toward the complex, exclusive of the permanent casino and the stadiums.

The temp casino would operate during the four year construction period.

### **II.    *Legislation***

To ensure a successful project, the following would have to be included in the stadium/gaming legislation:

- a) Authorization for a constitutional amendment in 2004 allowing a private casino within the complex.
- b) A requirement that a majority of Eagan voters casting ballots on the gaming amendment approve the measure.
- c) The legislation could authorize State Lottery gaming authority for the temp casino until the Nov04 election. This would require the approval of the Eagan City Council eliminating the required Eagan plurality on the gaming constitutional amendment. Under this scenario, if the amendment fails, gaming authority for the complex would remain in perpetuity with the State Lottery after the election.

The division of gaming revenues is identical regardless of which scenario is implemented

- d) Authorization to the Met Council to acquire the acreage they don't already own that is bounded by the Minnesota River, Highway 13, Cedar and Yankee Doodle Pl. This would include the Silver Belle Commons Building, the proposed site of the temporary casino during the construction period.
- e) Establish the gaming split, stadium financing, complex financing and complex profit participation as outlined in ***Exhibit B***.
- f) Authorize tax exempt status for the stadiums, convention facility and casino.
- g) Authorize sales tax exemption on complex construction.
- h) Authorize a blanket complex liquor license.
- i) Authorize the sale of \$900M in stadium bonds holding a 1<sup>st</sup> secured position on the entire complex. This is repaid with the complex's 50% share of the gaming, available once \$2.4B in gaming net is reached. (4-6 years after the temp casino opens)

### **III. Breakdown of Complex Cost**

Theme Park (name brand license w/royalties)	\$ 920,000,000
Convention Facility	320,000,000
Theme Park Portable Roof (one winter change per year)	200,000,000
Parking Ramp	200,000,000
Theaters	193,000,000
Four Hotels Sheraton Four Points by Sheraton Westin “W”	800,000,000
Entertainment/Sports/Historical Museum Celebrity Art Musuem/Madame Tussaud’sWax Museum (including acquisitions.....moves into temp casino space when permanent casino build out completed)	25,000,000
Bourbon Street/Old Chicago (including six nightclubs featuring artists & other attractions presented holographically)	62,000,000
Site Acquisition	70,000,000
Picnic/RV Area	5,000,000
Monorail w/all components connected	110,000,000
Parking Lots/Misc. Structures	20,000,000
Football & Baseball Stadiums	900,000,000
Light Rail Connection to Mall of America	200,000,000
Permanent Casino (located beneath all four hotels)	200,000,000
<b>TOTAL</b>	<b>\$ 4,225,000,000</b>

## ***EXHIBIT B***

### ***Complex & Stadium Financing***

As soon as feasible after legislative approval and/or passage of the constitutional amendment, the temp casino will open in the Silver Belle Commons Building located at Silver Belle Rd. and Highway 13 in Eagan, within the 317acre complex site. Gaming proceeds will be paid out as follows with the State of Minnesota accruing 50% on a deferred basis:

- a) *1<sup>st</sup> Receipts repay State for the cost of temp casino; (approx. \$60M)*
- b) *the next \$200M in gaming receipts funds the permanent casino;*
- c) *thereafter, the next \$2.4B in gaming net funds the balance of complex construction exclusive of the stadium, funded by bonds....the State defers its 50% share and receives a 2<sup>nd</sup> secured position on the entire complex in the amount of \$1.2B behind the 1<sup>st</sup> position of the \$900M in stadium bonds;*
- d) *thereafter, the State begins to receive its 50% share of the gaming net in perpetuity...the complex's 50% share retires the stadium bonds;*
- e) *after the stadium bonds are retired, the State moves into a 1<sup>st</sup> secured position for the \$1.2B deferred 50% share which is retired with the complex's ongoing 50% share.....in addition to the \$1.2B in deferred gaming proceeds, any interest accrued allowing the State to use the funds currently will be added to the final payoff figure....this should annually provide an additional \$225-300M into the general fund as soon as the temp casino is opened;*
- f) *after the State deferment plus interest is retired, complex's 50% share is included in complex profit split;*
- g) *after light rail cap of \$2.0B is reached (see profit participation breakdown), the State's share of the gaming proceeds rises to 65%*

#### **IV. Gross Percentage & Profit Participation**

The Horseman's Association & Canterbury Downs will each receive 1% of the gaming gross with a cap of \$3,000,000 each annually.

The Red Lake/White Earth coalition of Northern Native American tribes will receive 2% of the gaming gross with a cap of \$6,000,000 annually.

The above percentages apply to the temporary casino in operation during the construction period and end when the complex opens and profit participation commences.

***1<sup>st</sup> Phase Complex Profits (estimated at \$300M annually initially)***

Minnesota Twins	5%	
Minnesota Vikings	5%	
Theme Park Company	10%	
Light Rail	25%	\$2.0B cap
U of M Athletics	20%	\$300M cap
Light Rail Operating Costs	5%	
City of Eagan	5%	
Minnesota Housing Finance Agency	5%	
Canterbury Downs	2.5%	
Horseman's Association	2.5%	
Northern Tribes	5%	
K-12 Construction	5%	
Scholarships	5%	

**When the U of M cap is reached, its 20% share is added to the light rail percentage until the \$2.0B cap is reached.....at this point light rail construction would be receiving \$100-120M annually.....when light rail cap is reached 2<sup>nd</sup> Phase begins)**

***2<sup>nd</sup> Phase Complex Profits (estimated at \$550-600M annually)***

Twins	5%
Vikings	5%
Theme Park Co.	10%
Eagan	5%
Minnesota Housing Finance Agency	5%
Canterbury Downs	2.5%
Horsemen	2.5%
Tribes	5%
K-12 Construction	20%
Scholarship	5%
Von Feldt Entertainment	35%
(theme park company holds 40% of VF Entertainment)	

Profits for both Phase I & II are artificially higher than the norm because almost all of the debt service on the entire complex is retired with gaming funds and not from operating revenue. This is part of the rationale in allowing the gaming in the first place since the payouts prevent a windfall during the 1<sup>st</sup> ten years of operation. Von Feldt Entertainment will participate in a portion of the profits as the complex owner only after the multitude of needs are met first. The Phase II projections take into consideration the fact that the complex's gaming share lowers to 35% when the light rail contribution ceases.

## ***Balance of Complex Funding***

Exclusive of the \$2.4B in gaming funds dedicated to complex financing (excluding stadiums and casino), an additional \$725M must be secured. It will come from the following sources:

<b>Soft Drink Exclusivity</b>	<b>\$ 75,000,000</b>
<b>Starwood Hotel Loan</b>	<b>75,000,000</b>
<b>Vendors/FF &amp; E Financing</b>	<b>350,000,000</b>
<b>Fed. Govt/Matching Light Rail Funds</b>	<b>100,000,000</b>
<b>Naming Rights/Sponsorships/In-Kind</b>	<b>125,000,000</b>

### **Summary:**

The gaming provides instant complex equity in the amount of \$ 3,500,000,000 with no debt service originating from operating revenues. This increases the profits available for all participants dramatically. This instant equity also totally secures the stadium bonds and the deferred State gaming percentage.

No public funds are used for the construction of the complex, the casino and most importantly, the stadiums. ***The State realizes \$300-550M annually from gaming proceeds for use in the general fund.***

This proposal not only solves the stadium problems for the Twins, Vikings and Gophers, it independently provides a substantial amount of funding for five primary areas of concern for the citizens of Minnesota:

### ***The Budget Deficit***

#### ***Jobs***

#### ***Education***

#### ***Transportation***

#### ***Affordable Housing***

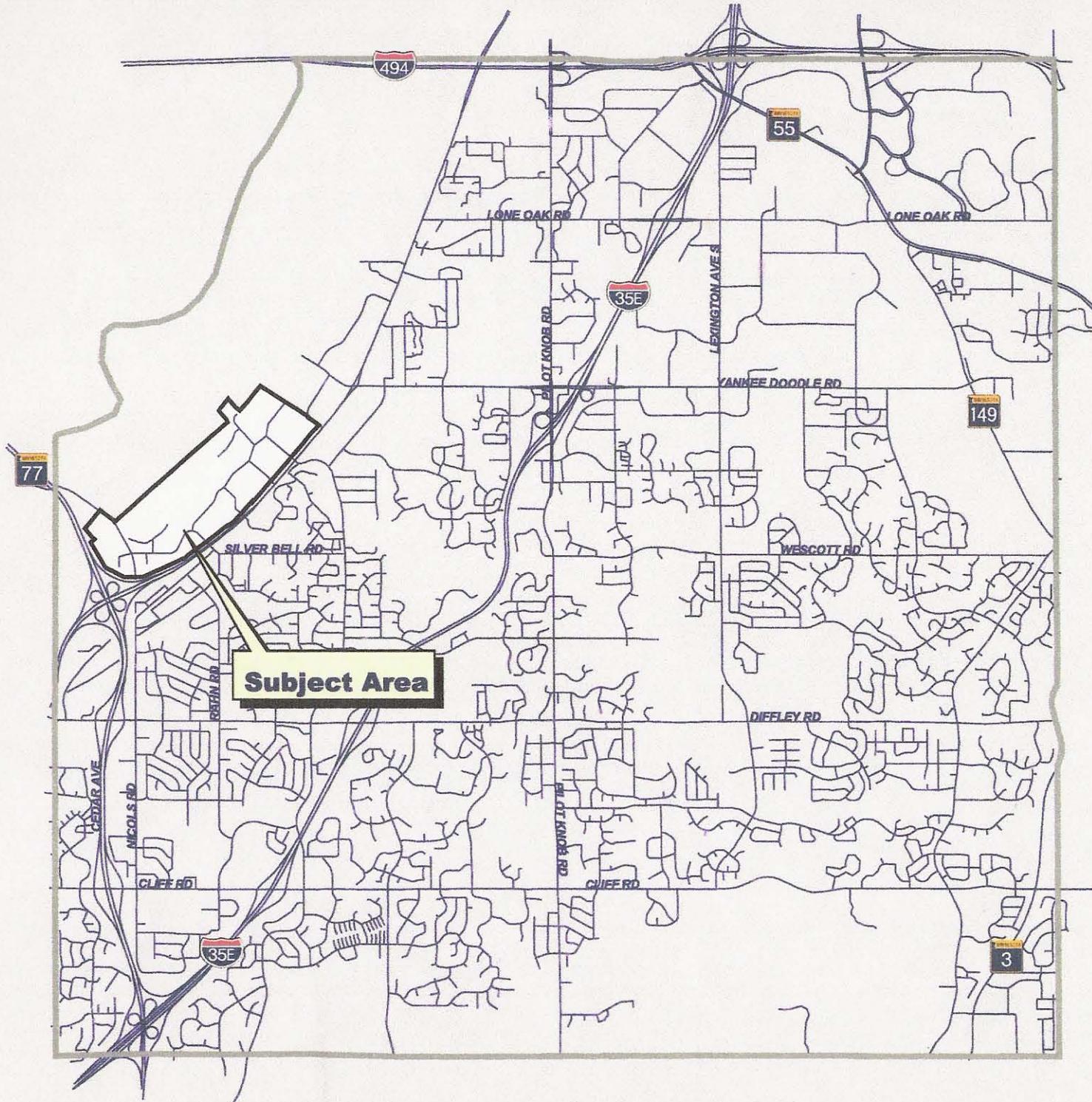
The Twins and Vikings have additional cash flow from complex profits to help compete with larger market teams. Northern tribes have the opportunity to participate in the gaming windfall currently enjoyed by metro casinos.

With matching federal funds, \$4,000,000,000 in light rail construction funds will be generated. Not only will this connect the complex with the Minnesota Zoo on the south as well as the Mall of America and airport to the north, it will allow the construction of all light rail and commuter rail lines currently proposed. Eventually the complex will be available from the entire surrounding area by rail.

Eventually well over \$100M per year will be available to local school districts in construction funds generated from the complex. Coupled with the State gaming percentage designated for the general fund there will be a huge benefit for education in the State. Annual funding for \$15-30M in college scholarships will also be provided by complex profits.

Over 14,000 permanent new jobs will be created by the complex. During the construction period \$40-50M in State income taxes will be generated by the labor alone. From \$15-30M will be available annually for affordable housing.

The theme park company's involvement ensures a strong, vital and thriving complex with their icon characters and attractions and resort development experience

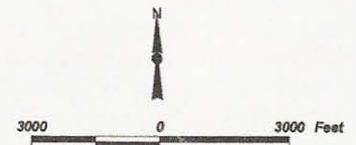


**Area Location Map**

**N.E. Cedar Avenue and  
Hwy 13 Area**

**THE FOLLOWING MAPS ARE  
INTENDED FOR REFERENCE  
USE ONLY!**

*Data Source: Dakota County Survey and  
Land Information Department. Maps prepared  
by City of Eagan Community Development  
Department.*

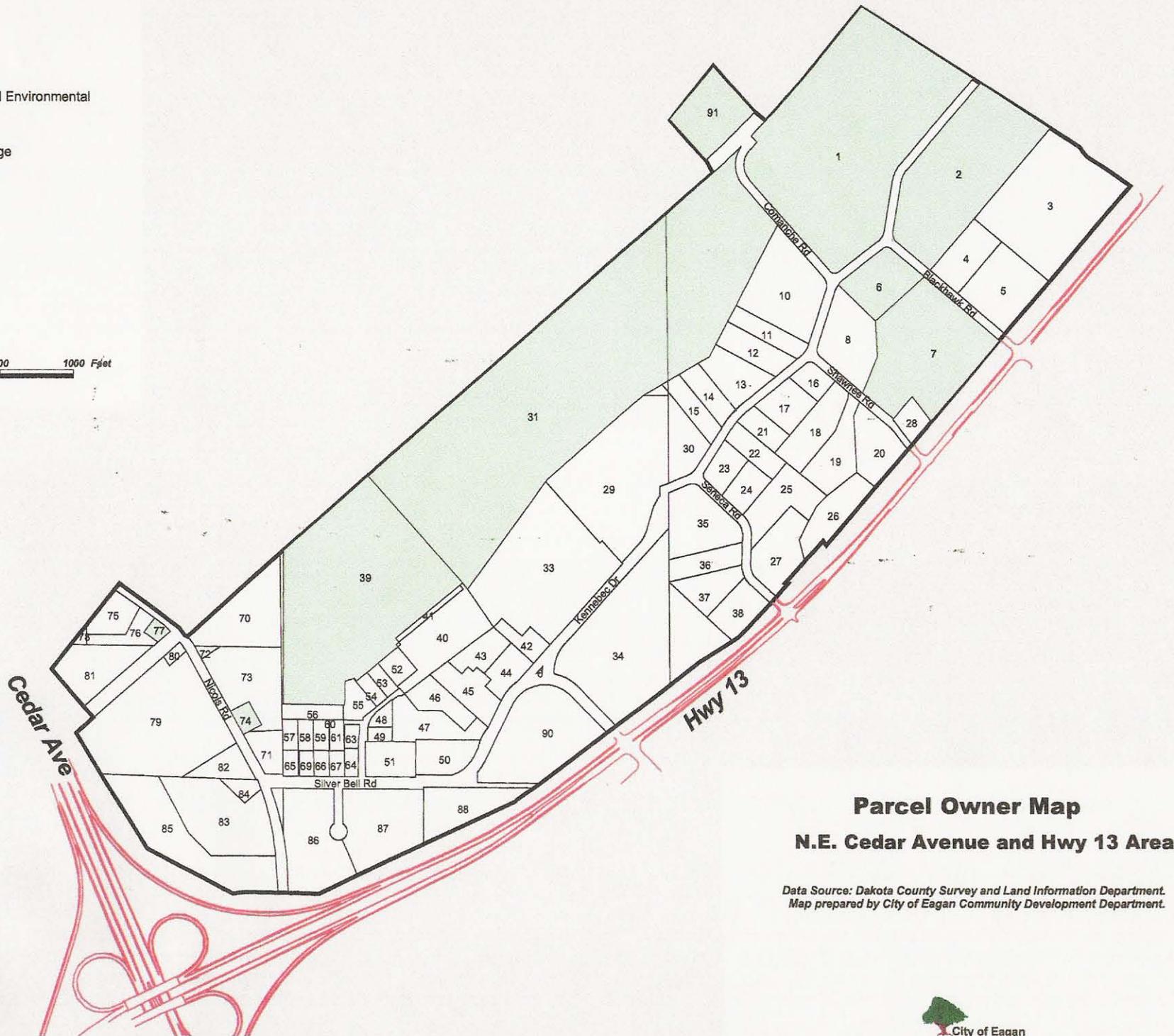


**LEGEND**

-  Metropolitan Council Environmental Services Property
-  Parcel Line
-  Pavement/Road Edge



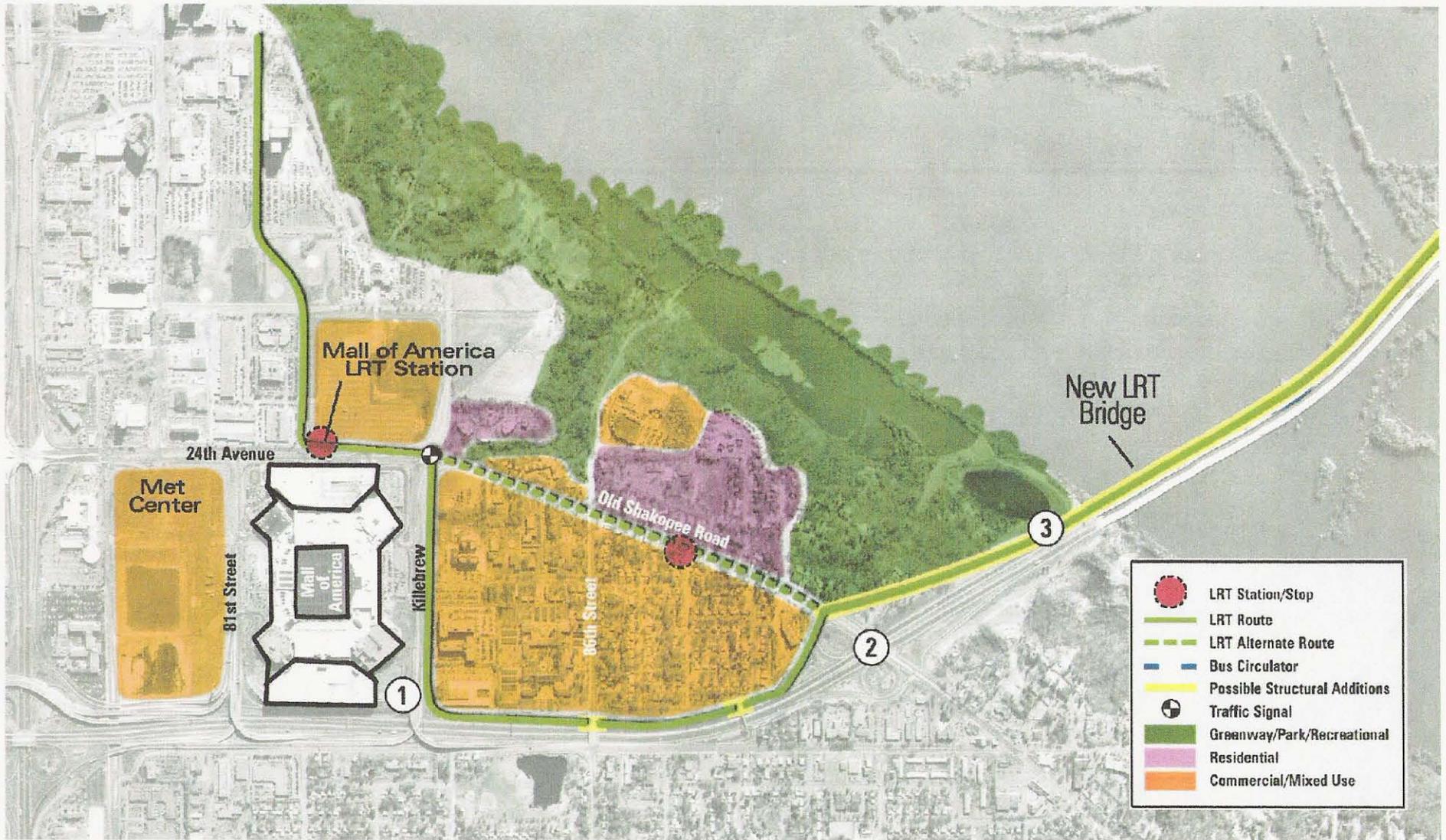
500 0 500 1000 Feet



**Parcel Owner Map  
N.E. Cedar Avenue and Hwy 13 Area**

*Data Source: Dakota County Survey and Land Information Department.  
Map prepared by City of Eagan Community Development Department.*





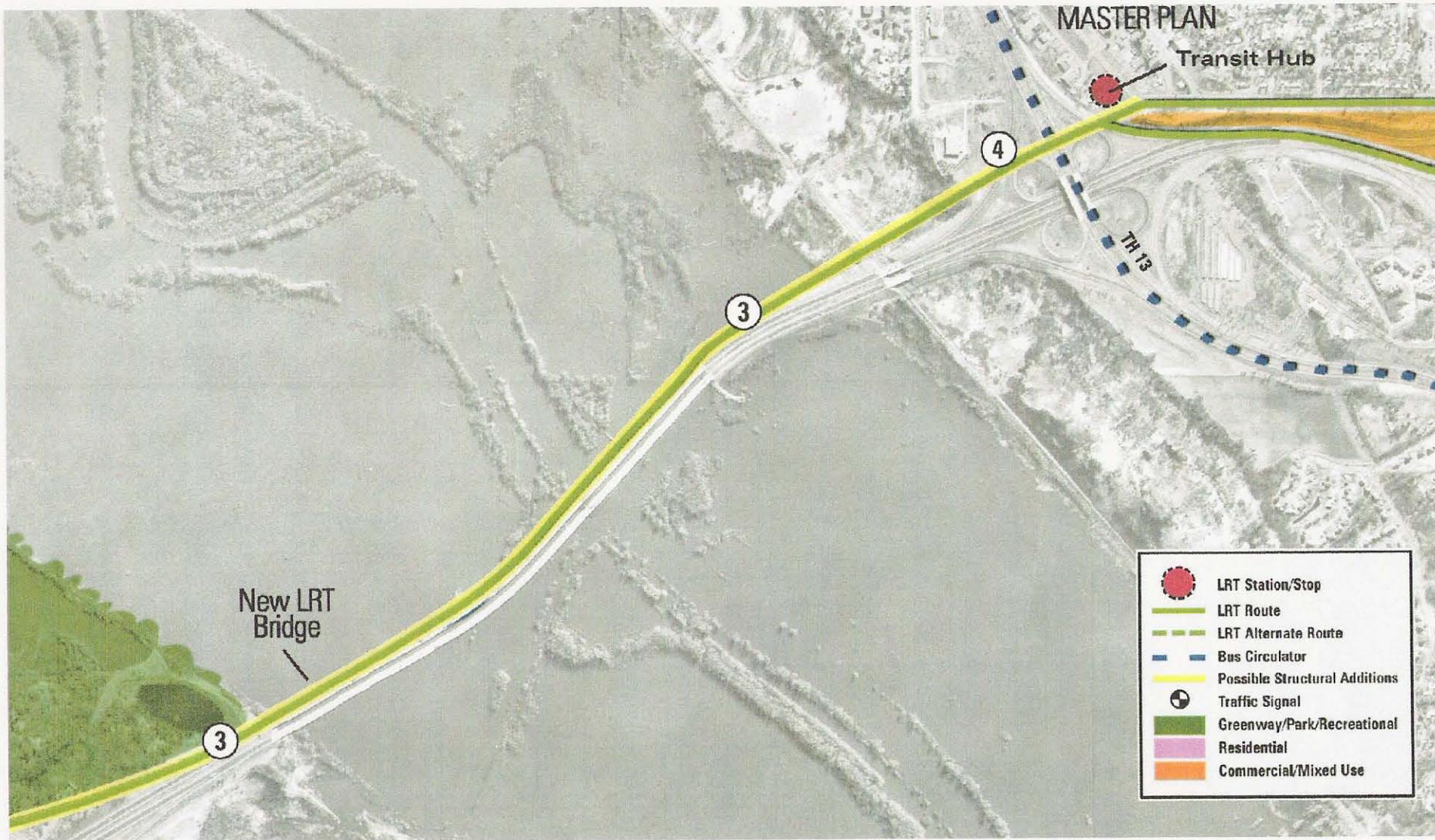


Figure 2

LRT Alignments and Land Use  
Segment 2