

**CITY OF PORTLAND – RIP CITY MANAGEMENT
MODA CENTER BRIDGE LEASE AGREEMENT SUMMARY**

OVERVIEW

1. The Trail Blazers are a unifying force, bringing civic pride and identity to the City, region, and State, and contributing to local charities and important causes.
2. As Oregon’s largest gathering place (based on total annual attendance) approaches 30 years of age, a new and significant investment in Moda Center would transform this unique community asset. A major renovation can be the centerpiece for revitalizing the Rose Quarter and surrounding area into a vibrant, transformational destination.
3. The current Moda Center ground lease expires on October 11, 2025, with a rapidly-approaching deadline of October 11, 2024 for Rip City Management (“Rip City”) to notify the City of whether it will extend the current agreement.
4. The City and Rip City are involved in ongoing discussions on how to best structure a long-term public-private that includes a major renovation of the arena and would keep Portland and the arena as the Trail Blazers’ home for years to come.
5. The City and Rip City have agreed that more time is needed to develop a long-term public-private partnership and to allow for the participation of additional stakeholders that benefit from the Trail Blazers and Moda Center.
6. The City and Rip City are signing a non-binding term sheet that outlines the basic terms for a bridge agreement. The bridge agreement would create new or modify existing agreements requiring the Trail Blazers to stay in Portland through at least October 11, 2030. This Bridge Agreement represents a positive step forward, providing more time and the opportunity to pursue a longer-term public-private partnership.
7. The bridge agreement does not require any upfront investment from the City, does not require the City to take on any debt, does not include any new taxes, and does not increase any existing taxes.

HIGHLIGHTS

Per the term sheet and upon execution of the Bridge Agreement:

1. The bridge agreement would to be finalized in Q3 2024 and would extend the Trail Blazers commitment to play in Portland through October 11, 2030. The Trail Blazers would have the option for an additional five-year extension, through October 11, 2035.
2. Moda Center ownership would be transferred to the City, subject to the City conducting due diligence on the condition of the arena.
3. Rip City would continue to have full responsibility for operating Moda Center and funding and completing Moda Center capital repair, maintenance, and improvement

projects and maintaining the arena in a first-class manner. Rip City and the City would agree on a 5-year plan for specific capital projects for the Arena.

4. The City contribution to the Arena Capital projects would be capped at the amount of City revenues generated by Trail Blazers home games. The City contribution would also be matched by Rip City Management, thus the City is obligated to contribute no more than fifty percent (50%) of the actual expenditures by Rip City on Arena capital projects.
5. To demonstrate team ownership's commitment to reaching a long-term extension, if the Moda Center ceases to be the NBA home of the Trail Blazers, the City would be repaid for its investment in capital projects during the Bridge Term.
6. The City and Rip City would continue to discuss potential redevelopment options for the Rose Quarter as part of a long-term agreement, and the potential to utilize tax increment financing as a tool to support such redevelopment.
7. Rip City would prepare a signage plan intended to activate the Rose Quarter, subject to approval of the City, prior to finalizing the definitive documents.
8. Simultaneously with Moda Center transfer of ownership, the City would acquire for fair market value the Kosei property, a parcel of land in the Rose Quarter that is owned by Rip City.