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**Senate**

**State of Minnesota**

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**S.F. No. 2061 - Delete-everything amendment (VIKINGS)**

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**Date:** April 5, 2006

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This bill creates an Anoka County-Blaine Stadium Authority to construct and operate a football stadium for the Minnesota Vikings in Blaine. The bill requires the authority to enter into a long-term use agreement with the Vikings, and a development and financing agreement with Anoka County, the city of Blaine, and the Vikings. The bill authorizes the issuance of bonds by the authority and Anoka County to pay for costs associated with the stadium.

**Section 1 [Stadium construction materials and equipment exemption.]** exempts all construction materials and equipment used or incorporated in the construction of the stadium from state sales and use tax for a period ending one year after the first NFL game is played in the stadium.

**Section 2 [Statement of purpose.]** includes legislative finding that construction of an NFL stadium in Blaine serves the public purposes of retaining the Minnesota Vikings in the state and promoting economic development. Includes findings that the stadium should be financed as a public-private partnership and that the stadium should be coordinated with transportation and transit plans.

**Section 3 [Definitions.]**

**Subdivision 1** provides that the defined terms have the meanings given.

**Subdivision 2** "Authority" is the Anoka County-Blaine Stadium Authority.

**Subdivision 3** "Sports facilities" means the stadium, related adjoining structures, practice facilities, related infrastructure and parking.

**Subdivision 4** "Stadium district" means a district (to be jointly designated by Anoka County, Blaine and the authority) that includes the stadium and no more than 740 acres surrounding the sports facilities.

**Section 4 [Location.]** states that the stadium is to be located in Blaine.

**Section 5 [Anoka County-Blaine Stadium Authority.]**

**Subdivision 1** establishes the Anoka County-Blaine Stadium Authority.

**Subdivision 2** provides that the authority is to be composed of seven members, three appointed by the Anoka County Commissioners, three appointed by the Blaine city council, and a chair.

**Subdivision 3** provides that the chair of the authority is to be a gubernatorial appointee. The authority may appoint a vice-chair from among its members.

**Subdivision 4** provides that members may not hold any other judicial or state offices. Members must take constitutional oath of office.

**Subdivision 5** provides for staggered four-year terms for members.

**Subdivision 6** provides for appointments to fill vacancies.

**Subdivision 7** provides that members are to receive \$50 per diem and expenses. The chair to receive a salary determined by the members and expenses.

**Subdivision 8** provides that the authority is to meet at least once a month. Action may be taken by majority vote.

**Subdivision 9** provides that the authority must appoint a nonvoting executive director. Outlines duties of the executive director.

**Section 6 [Powers of authority.]**

**Subdivision 1** provides that the authority is granted all powers necessary or convenient to accomplish the purposes of the chapter, including those provided in subdivisions 2 through 15.

**Subdivision 2** provides that the authority may sue and be sued, and is a public body for purposes of surety bonds that may be required of plaintiffs in certain suits against public bodies.

**Subdivision 3** provides that the authority may acquire real or personal property by lease, purchase, contribution or devise.

**Subdivision 4** provides that real or personal property of the authority is exempt from state or local ad valorem taxation, but is subject to special assessments. Property leased by the authority to another person for uses related to the purposes of the chapter is also exempt from taxation. The exemption includes concessions, suites, locker rooms and clubhouse facilities in the stadium as well as parking facilities on the stadium site. The exemption does not include team offices, residential, business or commercial development, or other unrelated property.

**Subdivision 5** provides that the City of Blaine is authorized to issue one or more liquor licenses for the stadium in addition to those already authorized by law.

**Subdivision 6** permits the authority to run the sports facilities and may delegate its duties. Authority must promote use of facilities for non-football events.

**Subdivision 7** provides that the authority may sell property in the manner required for a port authority, except that it need not include certain covenants in its deeds and it need not approve plans for future use of the property prior to sale.

**Subdivision 8** provides that the authority may receive gifts and grants.

**Subdivision 9** provides that the authority may issue bonds.

**Subdivision 10** provides that the authority may conduct research and prepare reports.

**Subdivision 11** provides that the authority may enter use agreements for any or all of the property it owns, operates or controls, including exclusive use agreements.

**Subdivision 12** provides that the authority may require and obtain insurance.

**Subdivision 13** provides that the authority may create a condominium.

**Subdivision 14** provides that the authority and the Minnesota Vikings must jointly select a construction manager. For the stadium, the construction manager must guarantee a maximum cost of construction and provide payment and performance bonds to cover that maximum cost. The construction manager must comply with all employment requirements applicable to city and state construction contracts. Requires contracts for labor, materials, supplies and equipment for the stadium to be entered pursuant to the process of public bidding, with exceptions.

## **Section 7 [Bonds.]**

**Subdivision 1** authorizes the sale of bonds by resolution of the authority for specified purposes related to the construction of the sports facilities.

**Subdivision 2** provides procedure for sale of revenue bonds by the authority without an election.

**Subdivision 3** limits bond authorization to \$230 million by the authority and \$280 million by Anoka County, plus amounts necessary to fund reserves and pay issuance costs. Bonds may not be issued or construction begun until the authority has determined:

- (1) that a long-term lease agreement has been executed with the Vikings,
- (2) that a development and financing agreement has been executed with Anoka county, Blaine, and the Vikings,
- (3) that the bond proceeds and other funds available will be sufficient for costs associated with the sports facilities,
- (4) authority has acquired title to real property needed for construction of sports facilities,
- (5) authority has funds or assurance of funds necessary for clearing of property and associated costs,
- (6) authority has obtained a no-strike agreement,
- (7) authority has a construction contract with a guaranteed price and completion date and performance bonds to cover 100 percent of the price,
- (8) anticipated revenue is sufficient to pay debt service on the bonds and operation and maintenance costs of the sports facilities,
- (9) all funding sources are committed in writing, enforceable, and adequate to construct and operate the stadium,
- (10) a guarantee of payments on terms determined by negotiations with the Vikings is in place, and
- (11) the validity of the bonds issued is not affected by determinations made by the authority under this subdivision.

**Subdivision 4** provides that taxes in this chapter and other revenues of the authority are pledged and appropriated as security for the bonds.

**Subdivision 5** provides that the bonds are not public debt of the state and the full faith and credit and taxing power of the state are not pledged for their payment.

**Subdivision 6** provides that bonds may be issued whether or not interest on them will be federally tax-exempt. The authority must try to issue them in a manner that would make the interest tax-exempt.

**Section 8 [Development and financing agreement.]**

**Subdivision 1** provides for an agreement between the authority, Anoka County, Blaine and the Vikings relating to financing, construction, operation and maintenance of the stadium.

**Subdivision 2** provides that total public investment shall not exceed 59 percent of the total cost of the sports facilities.

**Subdivision 3** provides that total team contribution must be no less than \$280 million. Team contributions include initial cash, guaranteed annual payments and assignment of naming rights and permanent seat licenses. Team contributions do not include operating and maintenance expenses for the stadium, although such expenses are the team's responsibility. The team must also pay all cost overruns.

**Section 9 [Use agreement.]**

**Subdivision 1** requires an agreement between the authority, the Vikings and the National Football League ("NFL").

**Subdivision 2** provides that the agreement with the Vikings must provide for them to use the stadium for at least 30 years; must contain terms for default, termination and breach; and must require specific performance and not include escape clauses or buy-out provisions.

**Subdivision 3** provides that the agreement with the NFL must guarantee the continuance of the Vikings in the metropolitan area for the term of the agreement under subdivision 2.

**Sections 10 and 11 [Tax provisions.]**

**Section 12 [Environmental requirements.]** provides that the authority is responsible for ensuring compliance with applicable environmental requirements.

DPM:mvm

Senators Betzold; Johnson, D.E.; Jungbauer; Pogemiller and Senjem introduced--  
S.F. No. 2061: Referred to the Committee on State and Local Government Operations.

A bill for an act

relating to stadiums; providing for the financing of a  
football stadium in Anoka County; creating a stadium  
authority; authorizing the county to levy and collect  
certain taxes; amending Minnesota Statutes 2004,  
sections 297A.68, by adding a subdivision; 297A.71, by  
adding a subdivision; proposing coding for new law as  
Minnesota Statutes, chapter 473J.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2004, section 297A.68, is  
amended by adding a subdivision to read:

Subd. 40. [SALES IN STADIUM DISTRICT.] Sales made in the  
stadium district defined in section 473J.02, subdivision 4, are  
exempt.

Sec. 2. Minnesota Statutes 2004, section 297A.71, is  
amended by adding a subdivision to read:

Subd. 33. [STADIUM CONSTRUCTION MATERIALS AND EQUIPMENT  
EXEMPT.] Materials and supplies used or consumed in, and  
equipment incorporated into the construction of a National  
Football League stadium constructed under chapter 473J are  
exempt. The exemption under this subdivision terminates one  
year after the first National Football League game is played in  
the stadium.

Sec. 3. [473J.01] [PURPOSE.]

The legislature finds that construction of a new National  
Football League stadium in the city of Blaine, county of Anoka,  
serves a public purpose. The legislature finds that the public

1 purpose served includes retaining the Minnesota Vikings as a  
2 part of Minnesota's public amenities for its citizens and as a  
3 major attraction to visitors to the state, adding to the  
4 economic development of the state, Anoka County, and surrounding  
5 communities, attracting revenue from out of the state, and  
6 preserving the contributions of football to the culture of  
7 Minnesota and to the enjoyment of its citizens. Further, the  
8 legislature finds that a National Football League stadium may be  
9 financed as a public-private partnership between the state,  
10 Anoka County, the Minnesota Vikings, and other supporting  
11 interests that may contribute to the construction of a football  
12 stadium and related facilities. The legislature further finds  
13 that a new stadium should be coordinated with transportation and  
14 transit plans and activities.

15 Sec. 4. [473J.02] [DEFINITIONS.]

16 Subdivision 1. [TERMS.] For the purposes of this chapter,  
17 the terms defined in this section have the meanings given them  
18 in this section, except as otherwise expressly provided or  
19 indicated by the context.

20 Subd. 2. [AUTHORITY.] "Authority" means the Anoka  
21 County-Blaine Stadium Authority.

22 Subd. 3. [SPORTS FACILITIES.] "Sports facilities" means  
23 the stadium, adjoining structures related to the operation of  
24 the stadium, practice facilities, and other supporting  
25 infrastructure, including parking.

26 Subd. 4. [STADIUM DISTRICT.] "Stadium district" means a  
27 district, containing the National Football League stadium and  
28 consisting of no more than 740 contiguous acres surrounding the  
29 sports facilities that is jointly designated by the authority,  
30 Anoka County, and the city of Blaine.

31 Sec. 5. [473J.03] [LOCATION.]

32 The new National Football League stadium shall be located  
33 in the city of Blaine, Anoka County, Minnesota.

34 Sec. 6. [473J.04] [ANOKA COUNTY-BLAINE STADIUM AUTHORITY;  
35 MEMBERSHIP; ADMINISTRATION.]

36 Subdivision 1. [GENERAL.] The Anoka County-Blaine Stadium

1 Authority is established and shall be organized and administered  
2 as provided in this section. The authority shall have those  
3 powers authorized by section 473J.05.

4 Subd. 2. [MEMBERSHIP.] The authority shall have seven  
5 members, three of whom shall be appointed by the Anoka County  
6 Board of Commissioners and three of whom shall be appointed by  
7 the Blaine city council. The seventh member shall be a chair  
8 appointed as provided in subdivision 3.

9 Subd. 3. [CHAIR.] The chair shall be appointed by the  
10 governor as the seventh voting member and shall meet all the  
11 qualifications of a member. The chair shall preside at all  
12 meetings of the authority, if present, and shall perform all  
13 other duties and functions assigned by the authority or by law.  
14 The authority may appoint from among its members a vice-chair to  
15 act for the chair during temporary absence or disability.

16 Subd. 4. [QUALIFICATIONS.] A member shall not, during a  
17 term of office, hold any judicial office or office of state  
18 government. Each member shall qualify by taking and subscribing  
19 the oath of office prescribed by the Minnesota Constitution,  
20 article V, section 6.

21 Subd. 5. [TERMS.] The initial terms of three members shall  
22 end the first Monday of January, 2010. Two of these members  
23 must be appointed by the Anoka County Board, and one by the  
24 Blaine city council. The terms of the other members and the  
25 chair shall end the first Monday in January, 2012. Subsequent  
26 terms of each member and chair shall be four years. The term  
27 shall continue until a successor is appointed and qualified.  
28 Members may be removed only for cause.

29 Subd. 6. [VACANCIES.] Vacancies shall be filled by the  
30 appropriate appointing authority in the same manner in which the  
31 original appointment was made.

32 Subd. 7. [COMPENSATION.] Each authority member shall be  
33 paid \$50 for each day when the member attends one or more  
34 meetings or provides other services, as authorized by the  
35 authority, and shall be reimbursed for all actual and necessary  
36 expenses incurred in the performance of duties. The chair of



1 the authority shall receive, unless otherwise provided by other  
2 law, a salary in an amount fixed by the members of the authority  
3 and shall be reimbursed for reasonable expenses to the same  
4 extent as a member. The annual budget shall provide as a  
5 separate account anticipated expenditures for per diem, travel,  
6 and associated expenses for the chair and members, and  
7 compensation or reimbursement shall be made to the chair and  
8 members only when budgeted.

9 Subd. 8. [REGULAR AND SPECIAL MEETINGS.] The authority  
10 shall meet regularly at least once each month, at a time and  
11 place as the authority shall by resolution designate. Special  
12 meetings may be held at any time upon the call of the chair or a  
13 majority of the members, upon written notice to each member at  
14 least three days prior to the meeting, or upon other notice that  
15 the authority provides by resolution. Unless otherwise  
16 provided, any action of the authority may be taken by  
17 affirmative vote of a majority of the members. A majority of  
18 all the members of the authority constitutes a quorum, but a  
19 lesser number may meet and adjourn from time to time and compel  
20 the attendance of absent members.

21 Subd. 9. [EXECUTIVE DIRECTOR.] The authority shall appoint  
22 an executive director who shall be chosen on the basis of  
23 training, experience, and other related qualifications. The  
24 executive director shall serve at the pleasure of the authority,  
25 but shall not vote, and shall have the following powers and  
26 duties:

27 (1) see that all resolutions, rules, or orders of the  
28 authority are enforced;

29 (2) appoint and remove all subordinate officers and regular  
30 employees of the authority;

31 (3) present to the authority plans, studies, or reports  
32 prepared for authority purposes and recommend to the authority  
33 for adoption the measures the executive director deems necessary  
34 to enforce or carry out the powers and duties of the authority,  
35 or to the efficient administration of the affairs of the  
36 authority;

1       (4) keep the authority fully advised as to its financial  
2       condition, prepare and submit to the authority its annual  
3       budget, and other financial information it requests;

4       (5) recommend to the authority for adoption the rules the  
5       executive director deems necessary for the efficient operation  
6       of the authority's functions; and

7       (6) perform other duties prescribed by the authority.

8       Sec. 7. [473J.05] [POWERS OF AUTHORITY.]

9       Subdivision 1. [GENERAL.] The authority has all powers  
10       necessary or convenient to accomplish the purposes of this  
11       chapter, including, but not limited to, those specified in this  
12       section.

13       Subd. 2. [ACTIONS.] The authority may sue and be sued and  
14       is a public body within the meaning of chapter 562.

15       Subd. 3. [ACQUISITION OF PROPERTY.] The authority may  
16       acquire by lease, purchase, monetary or land contribution, or  
17       devise all necessary right, title, and interest in and to real  
18       or personal property deemed necessary to the purposes  
19       contemplated by this chapter.

20       Subd. 4. [TAX EXEMPTIONS.] (a) Any real or personal  
21       property acquired, owned, leased, controlled, used, or occupied  
22       by the authority for any of the purposes of this chapter is  
23       declared to be acquired, owned, leased, controlled, used, and  
24       occupied for public, governmental, and municipal purposes, and  
25       is exempt from ad valorem taxation by the state or any political  
26       subdivision of the state. The properties are subject to special  
27       assessments levied by a political subdivision for a local  
28       improvement in amounts proportionate to and not exceeding the  
29       special benefit received by the properties from the  
30       improvement. No possible use of any of the properties in any  
31       manner different from their use under this chapter at the time  
32       shall be considered in determining the special benefit received  
33       by the properties. All assessments are subject to final  
34       confirmation by the authority, whose determination of the  
35       benefits is conclusive upon the political subdivision levying  
36       the assessment. Notwithstanding section 272.01, subdivision 2,

1 or 273.19, property leased by the authority to another person  
2 for uses related to the purposes of this chapter is exempt from  
3 taxation regardless of the length of the lease. This exemption  
4 includes concessions, suites, locker rooms, and clubhouse  
5 facilities in the stadium and parking facilities on the stadium  
6 site. It does not include team offices, residential, business,  
7 or commercial development, or other property not directly  
8 related to the operation of a stadium facility.

9 (b) No state or local tax, other than the tax imposed under  
10 section 473J.09, applies to admission to or sales made at the  
11 sports facilities financed under this chapter.

12 Subd. 5. [LIQUOR LICENSES.] The city of Blaine may issue  
13 one or more intoxicating liquor licenses for the stadium. These  
14 licenses are in addition to the number authorized by law. All  
15 provisions of chapter 340A not inconsistent with this  
16 subdivision apply to the licenses authorized under this  
17 subdivision.

18 Subd. 6. [FACILITY OPERATION.] The authority may equip,  
19 improve, operate, manage, maintain, and control the sports  
20 facilities constructed, remodeled, or acquired under the  
21 provisions of this chapter. The authority may delegate any of  
22 these duties to a qualified third party. The authority must  
23 seek to promote and maximize the use of the sports facilities  
24 for nonfootball events.

25 Subd. 7. [DISPOSITION OF PROPERTY.] The authority may  
26 sell, lease, or otherwise dispose of any real or personal  
27 property acquired by it, which is no longer required for  
28 accomplishment of its purposes. The property must be sold in  
29 accordance with the procedures provided by section 469.065,  
30 except subdivisions 6 and 7.

31 Subd. 8. [GIFTS AND GRANTS.] The authority may accept  
32 donations of money, property, or services; may apply for and  
33 accept grants or loans of money or other property from the  
34 United States, the state, any subdivision of the state, or any  
35 person for any of its purposes; may enter into any agreement  
36 required in connection therewith; and may hold, use, and dispose

1 of the donations according to the terms of the gifts, grant,  
2 loan, or agreement. In evaluating proposed monetary  
3 contributions, grants, loans, and agreements required in  
4 connection therewith, the authority shall examine the possible  
5 short-range and long-range impact on authority revenues and  
6 authority operating expenditures. The authority must notify  
7 potential contributors that contributions qualify for the  
8 charitable contribution deductions under section 170 of the  
9 Internal Revenue Code, provided that the contributor does not  
10 receive substantial direct benefit from the contribution.

11 Subd. 9. [ISSUANCE OF BONDS.] The authority may authorize  
12 the sale and issuance of bonds in the manner and for the  
13 purposes set out in section 473J.06.

14 Subd. 10. [IMPOSE SALES AND USE TAXES IN STADIUM  
15 DISTRICT.] The authority may impose sales and use taxes in the  
16 stadium district at rates not to exceed those provided for in  
17 sections 297A.62 and 297A.63. Revenue received from these taxes  
18 is pledged and must be used to pay bonds issued under section  
19 473J.06.

20 Subd. 11. [RESEARCH.] The authority may conduct research  
21 studies and programs; collect and analyze data; prepare reports,  
22 maps, charts, and tables; and conduct all necessary hearings and  
23 investigations in connection with its functions.

24 Subd. 12. [USE AGREEMENTS.] The authority may lease,  
25 license, or enter into agreements and may fix, alter, charge,  
26 and collect rentals, fees, and charges to all persons for the  
27 use, occupation, and availability of part or all of any  
28 premises, property, or facilities under its ownership,  
29 operation, or control for purposes that will provide athletic,  
30 educational, cultural, commercial, or other entertainment,  
31 instruction, or activity for citizens of the state of Minnesota  
32 and visitors. Any use agreement may provide that the other  
33 contracting party has exclusive use of the premises at the times  
34 agreed upon, including exclusive use and control for the term of  
35 its agreement by the Minnesota Vikings.

36 Subd. 13. [INSURANCE.] The authority may require any

1 employee to obtain and file with it an individual bond or  
2 fidelity insurance policy. It may procure insurance in the  
3 amounts it considers necessary against liability of the  
4 authority or its officers and employees for personal injury or  
5 death and property damage or destruction, with the force and  
6 effect stated in chapter 466, and against risks of damage to or  
7 destruction of any of its facilities, equipment, or other  
8 property.

9 Subd. 14. [CREATING A CONDOMINIUM.] The authority may, by  
10 itself or together with any other entity, as to real or personal  
11 property comprising or appurtenant or ancillary to the stadium  
12 constructed and operated under this chapter or other law, act as  
13 a declarant and establish a condominium or leasehold condominium  
14 under chapter 515A, or a common interest community or leasehold  
15 common interest community under chapter 515B, and may grant,  
16 establish, create, or join in other or related easements,  
17 agreements, and similar benefits and burdens that the authority  
18 may consider necessary or appropriate, and exercise any and all  
19 rights and privileges and assume obligations under them as a  
20 declarant, unit owner, or otherwise, insofar as practical and  
21 consistent with applicable law. The authority may be a member  
22 of an association and the chair, any commissioners, and any  
23 officers and employees of the authority may serve on the board  
24 of an association under chapter 515A or 515B or other law.

25 Subd. 15. [PROCUREMENT.] (a) The authority and the  
26 Minnesota Vikings shall jointly select a construction manager.  
27 With respect to the construction of the stadium, the  
28 construction manager must:

29 (1) guarantee a maximum cost of construction; and  
30 (2) provide payment and performance bonds or other security  
31 reasonably acceptable to the authority in an amount equal to the  
32 guaranteed maximum cost of construction, and shall comply with  
33 all employment requirements applicable to city and state  
34 contracts for construction, including prevailing wages as  
35 defined in section 177.42, affirmative action, and outreach.

36 (b) The lessee under the stadium lease described in

1 paragraph (c) or the construction manager may enter into  
2 contracts with contractors for labor, materials, supplies, and  
3 equipment to equip and construct the new stadium through the  
4 process of public bidding.

5 (c) The lessee or the construction manager may:

6 (1) limit the list of eligible bidders to those that the  
7 construction manager determines possess sufficient expertise to  
8 perform the intended functions;

9 (2) award contracts to the contractors that the  
10 construction manager determines provide the best value, which  
11 need not be the lowest responsible bidder; and

12 (3) for work the construction manager determines to be  
13 critical to the completion schedule, the construction manager  
14 may award contracts on the basis of competitive proposals or  
15 perform work with its own forces without soliciting competitive  
16 bids if the construction manager provides evidence of  
17 competitive pricing.

18 Sec. 8. [473J.06] [ISSUANCE OF BONDS.]

19 Subdivision 1. [BONDS.] The authority may by resolution,  
20 by a vote of a majority of all of its members, authorize the  
21 sale and issuance of its bonds for any or all of the following  
22 purposes:

23 (1) to provide funds and pay costs to predesign, design,  
24 construct, furnish, equip, and otherwise improve or better the  
25 sports facilities owned or to be owned by the authority pursuant  
26 to this act;

27 (2) to establish a reserve fund or funds for the bonds and  
28 to pay costs of issuance of the bonds;

29 (3) to refund bonds issued under this section; and

30 (4) to fund judgments entered by any court against the  
31 authority in matters relating to the authority's functions  
32 related to the sports facilities.

33 Subd. 2. [PROCEDURE.] The bonds shall be sold, issued, and  
34 secured on the terms and conditions the authority determines to  
35 be in the best interests of the authority and residents therein,  
36 except as otherwise provided in this chapter. The bonds may be

1 sold at any price and at public or private sale as determined by  
2 the authority. They shall be payable solely from tax and other  
3 revenues referred to in this chapter. The bonds shall not be a  
4 general obligation or debt of the authority or any city, county,  
5 or the state, and shall not be included in the net debt of any  
6 city, county, or other subdivision of the state for the purpose  
7 of any net debt limitation. No election shall be required.

8 Subd. 3. [LIMITATIONS.] The principal amount of the bonds  
9 issued under subdivision 1, clauses (1) and (2), shall not  
10 exceed the amounts authorized in this subdivision. The  
11 principal amount of bonds issued under subdivision 1, clauses  
12 (1) and (2), shall be limited to \$650,000,000 plus those amounts  
13 necessary to fund appropriate reserves and pay issuance costs.  
14 The authority shall issue its bonds and construction of the  
15 stadium may commence when the authority has made the following  
16 determinations:

17 (1) the authority has executed a long-term use agreement  
18 with the Minnesota Vikings, meeting the requirements of section  
19 473J.07;

20 (2) the authority has executed a development and financing  
21 agreement with Anoka County, the city of Blaine, and the  
22 Minnesota Vikings meeting the requirements of section 473J.08;

23 (3) the proceeds of bonds authorized and provided for in  
24 this subdivision will be sufficient, together with other capital  
25 funds that may be available to the authority for expenditure on  
26 the sports facilities, including, except as otherwise provided  
27 in this subdivision, the acquisition, clearance, relocation, and  
28 legal costs referred to in clauses (4) and (5);

29 (4) the authority has acquired title to or an interest in  
30 all real property, including all easements, air rights, and  
31 other appurtenances needed for the construction and operation of  
32 the sports facility or has received a grant of funds or has  
33 entered into agreements sufficient in the judgment of the  
34 authority to assure the receipt of funds, at the time and in the  
35 amount required, to make any payment upon which the authority's  
36 acquisition of title or interest in and possession of the real

1 property is conditioned;

2 (5) the authority has received a grant of funds or entered  
3 into agreements sufficient in the judgment of the authority to  
4 assure the receipt of funds, at the time and in the amount  
5 required, to pay all costs, except as provided in this  
6 subdivision, of clearing the real property needed for the  
7 construction and operation of the sports facilities, railroad  
8 tracks, and other structures, including, without limitation, all  
9 relocation costs, all utility relocation costs, and all legal  
10 costs;

11 (6) the authority has executed agreements to prevent  
12 strikes that would halt, delay, or impede construction of the  
13 sports facilities;

14 (7) the authority has executed agreements that will provide  
15 for the construction of the sports facilities for a certified or  
16 guaranteed construction price and completion date and which  
17 include performance bonds in an amount at least equal to 100  
18 percent of the certified or guaranteed price to cover any costs  
19 that may be incurred over and above the certified price,  
20 including, but not limited to, costs incurred by the authority  
21 or loss of revenues resulting from incomplete construction on  
22 the completion date;

23 (8) the anticipated revenue from the operation of the  
24 sports facilities plus any additional available revenue of the  
25 authority will be an amount sufficient to pay when due all debt  
26 service on the bonds plus all administration, operating, and  
27 maintenance expense of the sports facilities;

28 (9) the authority has determined that all public and  
29 private funding sources for construction and operation of the  
30 sports facilities are officially committed in writing and  
31 enforceable. The committed funds must be adequate to site,  
32 design, construct, furnish, equip, and service the sports  
33 facilities debt, as well as to pay for the ongoing operation and  
34 maintenance of the stadium;

35 (10) the authority shall ensure that a guaranty is in place  
36 in a form satisfactory to the authority. The guaranty may be in



1 the form of a letter of credit, minimum net worth requirements,  
2 personal guaranties or other surety covering the payments on  
3 terms determined by the authority's negotiations with the  
4 Minnesota Vikings; and

5 (11) the validity of any bonds issued under subdivision 1,  
6 clauses (1) and (2), and the obligation of the authority related  
7 to them, shall not be conditioned upon or impaired by the  
8 authority's determinations made under this subdivision. For  
9 purposes of using the bonds, the determinations made by the  
10 authority shall be deemed conclusive and the authority shall be  
11 and remain obligated for the security and payment of the bonds  
12 irrespective of determinations that may be erroneous,  
13 inaccurate, or otherwise mistaken.

14 Subd. 4. [SECURITY.] To the extent and in the manner  
15 provided in this chapter, the taxes described in this chapter,  
16 the tax and other revenues of the authority described in this  
17 act, and any other revenues of the authority attributable to the  
18 sports facilities, including teams' and Anoka County  
19 contributions, shall be and remain pledged and appropriated to  
20 the authority as appropriate for the payment of all necessary  
21 and reasonable expenses of the operation, administration,  
22 maintenance of the sports facilities, and debt service of the  
23 bonds until all bonds or certificates of indebtedness issued  
24 pursuant to this chapter are fully paid or discharged in  
25 accordance with law. Bonds issued pursuant to this chapter may  
26 be secured by a bond resolution, or by a trust indenture entered  
27 into by the authority with a corporate trustee within or outside  
28 the state, which shall define the tax and team contributions,  
29 and other sports facilities revenues pledged for the payment and  
30 security of the bonds. The pledge shall be a valid charge on  
31 the tax and all other revenues referred to in this chapter from  
32 the date when bonds are first issued or secured under the  
33 resolution or indenture and shall secure the payment of  
34 principal and interest and redemption premiums when due and the  
35 maintenance at all times of a reserve or reserves securing  
36 payments. No mortgage of or security interest in any tangible

1 real or personal property shall be granted to the bondholders or  
2 the trustee, but they shall have a valid security interest in  
3 all tax and other revenues received and accounts receivable by  
4 the authority shall be hereunder, as against the claims of all  
5 other persons in tort, contract, or otherwise, irrespective of  
6 whether the parties have notice of the claims, and without  
7 possession or filing as provided in the Uniform Commercial Code  
8 or any other law. In the bond resolution or trust indenture,  
9 the authority may make covenants, which shall be binding upon  
10 the authority, that are determined to be usual and reasonably  
11 necessary for the protection of the bondholders. No pledge  
12 shall be revoked or amended by law or by action of the authority  
13 or county except in accordance with the terms of the bond  
14 resolution or indenture under which the bonds are issued, until  
15 the obligations of the authority are fully discharged.

16 Subd. 5. [NO FULL FAITH AND CREDIT.] Any bonds or other  
17 obligations issued by the authority under this act are not  
18 public debt of the state, and the full faith and credit and  
19 taxing powers of the state are not pledged for their payment or  
20 of any payments that the state agrees to make under this act.

21 Subd. 6. [TAXABILITY OF INTEREST ON BONDS.] The bonds  
22 authorized by this act may be issued whether or not the interest  
23 to be paid on them is gross income for federal tax purposes,  
24 provided that the authority must make an effort to arrange the  
25 financing for the project in a manner that would allow the  
26 interest to be tax-exempt to the greatest extent possible.

27 Sec. 9. [473J.07] [DEVELOPMENT AND FINANCING AGREEMENT.]

28 Subdivision 1. [AGREEMENT REQUIRED.] Prior to the issuance  
29 of bonds under section 473J.06, the authority shall negotiate  
30 and enter into an agreement with Anoka County, the city of  
31 Blaine, and the Minnesota Vikings concerning the terms and  
32 conditions under which the parties will make contributions of  
33 funds, future revenues, interests in property for the site and  
34 public infrastructure, the method of completing design and  
35 construction, which may include the design build process, the  
36 integration of the stadium and related infrastructure with

1 surrounding development, and other matters relating to the  
2 stadium, its operation, maintenance, and financing. This  
3 agreement shall, at a minimum, meet the requirements of this  
4 section.

5 Subd. 2. [TOTAL PUBLIC INVESTMENT TOWARDS PROJECT  
6 COSTS.] The total public investment, including Anoka County's  
7 revenue contributions and revenues collected by the authority in  
8 the stadium district defined in section 473J.02, subdivision 2,  
9 shall not exceed two-thirds of the sports facilities' costs.

10 Subd. 3. [TEAM CONTRIBUTION.] The team must contribute no  
11 less than one-third of the sports facility costs. Team  
12 contributions may include, but are not limited to, initial cash  
13 contributions, guaranteed annual payments, and assignments of  
14 naming rights and permanent seat licenses, but does not include  
15 payments of operating and maintenance expenses for the stadium,  
16 which must be made by the team. In addition to any other team  
17 contribution, the team must assume and pay when due all cost  
18 overruns for the stadium.

19 Sec. 10. [473J.08] [USE AGREEMENT.]

20 Subdivision 1. [REQUIREMENT.] Prior to the issuance of  
21 bonds under section 473J.06, the authority must have entered  
22 into an agreement with the Minnesota Vikings and the National  
23 Football League meeting the requirements of this section.

24 Subd. 2. [AGREEMENT WITH MINNESOTA VIKINGS.] The authority  
25 shall enter into a use agreement with the Minnesota Vikings  
26 that, at a minimum, provides for the following:

27 (1) the Minnesota Vikings will use the stadium for all  
28 scheduled home preseason, regular season, and postseason games  
29 that the team is entitled to play at home for a term of not less  
30 than 30 years;

31 (2) the agreement must include terms for default,  
32 termination, and breach of agreement; and

33 (3) the agreement must require specific performance and  
34 must not include escape clauses or buyout provisions.

35 Subd. 3. [AGREEMENT WITH NATIONAL FOOTBALL LEAGUE.] The  
36 authority shall enter into an agreement with the National

1 Football League guaranteeing the continuance of the Minnesota  
2 Vikings in the metropolitan area for the period of the  
3 agreements referred to in subdivision 2, clause (1).

4 Sec. 11. [473J.09] [ANOKA COUNTY REVENUE SOURCES.]

5 Subdivision 1. [GENERAL.] Anoka County may utilize the  
6 following revenue sources to make contributions to its share of  
7 the total stadium project costs.

8 Subd. 2. [TAXING AUTHORITY.] To provide local government  
9 revenues to finance the stadium under this act, Anoka County may:

10 (1) impose a ticket tax, a tax on restaurants, places of  
11 amusement, alcoholic beverages or prepared food, or a tax on  
12 lodging, or any of them;

13 (2) impose a tax on sports memorabilia as defined by the  
14 authority that is sold within the stadium facilities; or

15 (3) impose a general sales and use tax on sales of goods  
16 and services within its jurisdiction of not more than 0.75  
17 percent.

18 These taxes may be imposed notwithstanding the provisions of  
19 section 477A.016. The requirements of section 297A.99 do not  
20 apply to any tax imposed under this subdivision.

21 Subd. 3. [PARKING SURCHARGES.] Anoka County may impose a  
22 parking surcharge on parking in the stadium district.

23 Sec. 12. [473J.10] [ENVIRONMENTAL REQUIREMENTS.]

24 The authority must ensure that environmental requirements  
25 imposed by appropriate regulatory agencies for the sports  
26 facilities are complied with.

*Adopted*

1.1 Senator *Wiger*..... moves to amend S.F. No. 2061 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "Section 1. Minnesota Statutes 2004, section 297A.71, is amended by adding a  
1.4 subdivision to read:

1.5 Subd. 33. Stadium construction materials and equipment exempt. Materials  
1.6 and supplies used or consumed in, and equipment incorporated into the construction of  
1.7 a National Football League stadium constructed under chapter 473J are exempt. The  
1.8 exemption under this subdivision terminates one year after the first National Football  
1.9 League game is played in the stadium.

1.10 Sec. 2. [473J.01] PURPOSE.

1.11 The legislature finds that construction of a new stadium that meets National  
1.12 Football League programmatic requirements, with a retractable or fixed roof, in the  
1.13 city of Blaine, county of Anoka, serves a public purpose. The legislature finds that the  
1.14 public purpose served includes retaining the Minnesota Vikings as a part of Minnesota's  
1.15 public amenities for its citizens and as a major attraction to visitors to the state, adding to  
1.16 the economic development of the state, Anoka County, and surrounding communities,  
1.17 attracting revenue from out of the state, and preserving the contributions of football to the  
1.18 culture of Minnesota and to the enjoyment of its citizens. Further, the legislature finds  
1.19 that a National Football League stadium may be financed as a public-private partnership  
1.20 between the state, Anoka County, the Minnesota Vikings, and other supporting interests  
1.21 that may contribute to the construction of a football stadium and related facilities. The  
1.22 legislature further finds that a new stadium should be coordinated with transportation  
1.23 and transit plans and activities.

1.24 Sec. 3. [473J.02] DEFINITIONS.

1.25 Subdivision 1. Terms. For the purposes of this chapter, the terms defined in this  
1.26 section have the meanings given them in this section, except as otherwise expressly  
1.27 provided or indicated by the context.

1.28 Subd. 2. Authority. "Authority" means the Anoka County-Blaine Stadium  
1.29 Authority.

1.30 Subd. 3. Sports facilities. "Sports facilities" means the stadium, with a retractable  
1.31 or fixed roof, adjoining structures related to the operation of the stadium, practice  
1.32 facilities, including preseason training camp facilities, and other supporting infrastructure,  
1.33 including parking.

1.34 Subd. 4. Stadium district. "Stadium district" means a district, containing the  
1.35 National Football League stadium and consisting of no more than 740 contiguous acres

2.1 surrounding the sports facilities that is jointly designated by the authority, Anoka County,  
2.2 and the city of Blaine.

2.3 **Sec. 4. [473J.03] LOCATION.**

2.4 The new National Football League stadium shall be located in the city of Blaine,  
2.5 Anoka County, Minnesota.

2.6 **Sec. 5. [473J.04] ANOKA COUNTY-BLAINE STADIUM AUTHORITY;**  
2.7 **MEMBERSHIP; ADMINISTRATION.**

2.8 Subdivision 1. **General.** The Anoka County-Blaine Stadium Authority is established  
2.9 and shall be organized and administered as provided in this section. The authority shall  
2.10 have those powers authorized by section 473J.05.

2.11 Subd. 2. **Membership.** The authority shall have seven members, three of whom  
2.12 shall be appointed by the Anoka County Board of Commissioners and three of whom shall  
2.13 be appointed by the Blaine city council. The seventh member shall be a chair appointed as  
2.14 provided in subdivision 3.

2.15 Subd. 3. **Chair.** The chair shall be appointed by the governor as the seventh voting  
2.16 member and shall meet all the qualifications of a member. The chair shall preside at all  
2.17 meetings of the authority, if present, and shall perform all other duties and functions  
2.18 assigned by the authority or by law. The authority may appoint from among its members a  
2.19 vice-chair to act for the chair during temporary absence or disability.

2.20 Subd. 4. **Qualifications.** A member shall not, during a term of office, hold any  
2.21 judicial office or office of state government. Each member shall qualify by taking and  
2.22 subscribing the oath of office prescribed by the Minnesota Constitution, article V, section 6.

2.23 Subd. 5. **Terms.** The initial terms of three members shall end the first Monday of  
2.24 January, 2010. Two of these members must be appointed by the Anoka County Board,  
2.25 and one by the Blaine city council. The terms of the other members and the chair shall  
2.26 end the first Monday in January, 2012. Subsequent terms of each member and chair  
2.27 shall be four years. The term shall continue until a successor is appointed and qualified.  
2.28 Members may be removed only for cause.

2.29 Subd. 6. **Vacancies.** Vacancies shall be filled by the appropriate appointing authority  
2.30 in the same manner in which the original appointment was made.

2.31 Subd. 7. **Compensation.** Each authority member shall be paid \$50 for each day  
2.32 when the member attends one or more meetings or provides other services, as authorized  
2.33 by the authority, and shall be reimbursed for all actual and necessary expenses incurred  
2.34 in the performance of duties. The chair of the authority shall receive, unless otherwise

3.1 provided by other law, a salary in an amount fixed by the members of the authority and  
 3.2 shall be reimbursed for reasonable expenses to the same extent as a member. The annual  
 3.3 budget shall provide as a separate account anticipated expenditures for per diem, travel,  
 3.4 and associated expenses for the chair and members, and compensation or reimbursement  
 3.5 shall be made to the chair and members only when budgeted.

3.6 Subd. 8. Regular and special meetings. The authority shall meet regularly at least  
 3.7 once each month, at a time and place as the authority shall by resolution designate. Special  
 3.8 meetings may be held at any time upon the call of the chair or a majority of the members,  
 3.9 upon written notice to each member at least three days prior to the meeting, or upon other  
 3.10 notice that the authority provides by resolution. Unless otherwise provided, any action of  
 3.11 the authority may be taken by affirmative vote of a majority of the members. A majority  
 3.12 of all the members of the authority constitutes a quorum, but a lesser number may meet  
 3.13 and adjourn from time to time and compel the attendance of absent members.

3.14 Subd. 9. Executive director. The authority shall appoint an executive director  
 3.15 who shall be chosen on the basis of training, experience, and other related qualifications.  
 3.16 The executive director shall serve at the pleasure of the authority, but shall not vote, and  
 3.17 shall have the following powers and duties:

- 3.18 (1) see that all resolutions, rules, or orders of the authority are enforced;
- 3.19 (2) appoint and remove all subordinate officers and regular employees of the  
 3.20 authority;
- 3.21 (3) present to the authority plans, studies, or reports prepared for authority purposes  
 3.22 and recommend to the authority for adoption the measures the executive director deems  
 3.23 necessary to enforce or carry out the powers and duties of the authority, or to the efficient  
administration of the affairs of the authority;
- 3.25 (4) keep the authority fully advised as to its financial condition, prepare and submit  
 3.26 to the authority its annual budget, and other financial information it requests;
- 3.27 (5) recommend to the authority for adoption the rules the executive director deems  
 3.28 necessary for the efficient operation of the authority's functions; and
- 3.29 (6) perform other duties prescribed by the authority.

3.30 **Sec. 6. [473J.05] POWERS OF AUTHORITY.**

3.31 Subdivision 1. General. The authority has all powers necessary or convenient to  
 3.32 accomplish the purposes of this chapter, including, but not limited to, those specified  
 3.33 in this section.

3.34 Subd. 2. Actions. The authority may sue and be sued and is a public body within  
 3.35 the meaning of chapter 562.

4.1 Subd. 3. Acquisition of property. The authority may acquire by lease, purchase,  
4.2 monetary or land contribution, or devise all necessary right, title, and interest in and to real  
4.3 or personal property deemed necessary to the purposes contemplated by this chapter.

4.4 Subd. 4. Tax exemption. Any real or personal property acquired, owned, leased,  
4.5 controlled, used, or occupied by the authority for any of the purposes of this chapter  
4.6 is declared to be acquired, owned, leased, controlled, used, and occupied for public,  
4.7 governmental, and municipal purposes, and is exempt from ad valorem taxation by the state  
4.8 or any political subdivision of the state. The properties are subject to special assessments  
4.9 levied by a political subdivision for a local improvement in amounts proportionate to and  
4.10 not exceeding the special benefit received by the properties from the improvement. No  
4.11 possible use of any of the properties in any manner different from their use under this  
4.12 chapter at the time shall be considered in determining the special benefit received by the  
4.13 properties. All assessments are subject to final confirmation by the authority, whose  
4.14 determination of the benefits is conclusive upon the political subdivision levying the  
4.15 assessment. Notwithstanding section 272.01, subdivision 2, or 273.19, property leased by  
4.16 the authority to another person for uses related to the purposes of this chapter is exempt  
4.17 from taxation regardless of the length of the lease. This exemption includes concessions,  
4.18 suites, locker rooms, and clubhouse facilities in the stadium and parking facilities on the  
4.19 stadium site, as well as space occupied by the authority. It does not include team offices,  
4.20 residential, business, or commercial development, or parking facilities primarily for these  
4.21 uses, or other property not directly related to the operation of a stadium facility.

4.22 Subd. 5. Liquor licenses. The city of Blaine may issue one or more intoxicating  
4.23 liquor licenses for the stadium. These licenses are in addition to the number authorized by  
4.24 law. All provisions of chapter 340A not inconsistent with this subdivision apply to the  
4.25 licenses authorized under this subdivision.

4.26 Subd. 6. Facility operation. The authority may equip, improve, operate, manage,  
4.27 maintain, and control the sports facilities constructed, remodeled, or acquired under the  
4.28 provisions of this chapter. The authority may delegate any of these duties to a qualified  
4.29 third party. The authority must seek to promote and maximize the use of the sports  
4.30 facilities for nonfootball events.

4.31 Subd. 7. Disposition of property. The authority may sell, lease, or otherwise  
4.32 dispose of any real or personal property acquired by it, which is no longer required for  
4.33 accomplishment of its purposes. The property must be sold in accordance with the  
4.34 procedures provided by section 469.065, except subdivisions 6 and 7.



5.1 Subd. 8. Gifts and grants. The authority may accept donations of money, property,  
5.2 or services; may apply for and accept grants or loans of money or other property from the  
5.3 United States, the state, any subdivision of the state, or any person for any of its purposes;  
5.4 may enter into any agreement required in connection therewith; and may hold, use, and  
5.5 dispose of the donations according to the terms of the gifts, grant, loan, or agreement. In  
5.6 evaluating proposed monetary contributions, grants, loans, and agreements required in  
5.7 connection therewith, the authority shall examine the possible short-range and long-range  
5.8 impact on authority revenues and authority operating expenditures. The authority must  
5.9 notify potential contributors that contributions qualify for the charitable contribution  
5.10 deductions under section 170 of the Internal Revenue Code, provided that the contributor  
5.11 does not receive substantial direct benefit from the contribution.

5.12 Subd. 9. Issuance of bonds. The authority may authorize the sale and issuance of  
5.13 bonds in the manner and for the purposes set out in section 473J.06.

5.14 Subd. 10. Research. The authority may conduct research studies and programs;  
5.15 collect and analyze data; prepare reports, maps, charts, and tables; and conduct all  
5.16 necessary hearings and investigations in connection with its functions.

5.17 Subd. 11. Use agreements. The authority may lease, license, or enter into  
5.18 agreements and may fix, alter, charge, and collect rentals, fees, and charges to all persons  
5.19 for the use, occupation, and availability of part or all of any premises, property, or  
5.20 facilities under its ownership, operation, or control for purposes that will provide athletic,  
5.21 educational, cultural, commercial, or other entertainment, instruction, or activity for  
5.22 citizens of the state of Minnesota and visitors. Any use agreement may provide that  
5.23 the other contracting party has exclusive use of the premises at the times agreed upon,  
5.24 including exclusive use and control for the term of its agreement by the Minnesota Vikings.

5.25 Subd. 12. Insurance. The authority may require any employee to obtain and  
5.26 file with it an individual bond or fidelity insurance policy. It may procure insurance in  
5.27 the amounts it considers necessary against liability of the authority or its officers and  
5.28 employees for personal injury or death and property damage or destruction, with the force  
5.29 and effect stated in chapter 466, and against risks of damage to or destruction of any of  
5.30 its facilities, equipment, or other property.

5.31 Subd. 13. Creating a condominium. The authority may, by itself or together with  
5.32 any other entity, as to real or personal property comprising or appurtenant or ancillary to  
5.33 the stadium constructed and operated under this chapter or other law, act as a declarant and  
5.34 establish a condominium or leasehold condominium under chapter 515A, or a common  
5.35 interest community or leasehold common interest community under chapter 515B, and

6.1 may grant, establish, create, or join in other or related easements, agreements, and similar  
6.2 benefits and burdens that the authority may consider necessary or appropriate, and exercise  
6.3 any and all rights and privileges and assume obligations under them as a declarant, unit  
6.4 owner, or otherwise, insofar as practical and consistent with applicable law. The authority  
6.5 may be a member of an association and the chair, any commissioners, and any officers  
6.6 and employees of the authority may serve on the board of an association under chapter  
6.7 515A or 515B or other law.

6.8 Subd. 14. Procurement. (a) The authority and the Minnesota Vikings shall  
6.9 jointly select a construction manager. With respect to the construction of the stadium,  
6.10 the construction manager must:

6.11 (1) guarantee a maximum cost of construction; and

6.12 (2) provide payment and performance bonds or other security reasonably acceptable  
6.13 to the authority in an amount equal to the guaranteed maximum cost of construction, and  
6.14 shall comply with all employment requirements applicable to city and state contracts for  
6.15 construction, including prevailing wages as defined in section 177.42, affirmative action,  
6.16 and outreach.

6.17 (b) The lessee under the stadium lease described in paragraph (c) or the construction  
6.18 manager may enter into contracts with contractors for labor, materials, supplies, and  
6.19 equipment to equip and construct the new stadium through the process of public bidding.

6.20 (c) The lessee or the construction manager may:

6.21 (1) limit the list of eligible bidders to those that the construction manager determines  
6.22 possess sufficient expertise to perform the intended functions;

6.23 (2) award contracts to the contractors that the construction manager determines  
6.24 provide the best value, which need not be the lowest responsible bidder; and

6.25 (3) for work the construction manager determines to be critical to the completion  
6.26 schedule, the construction manager may award contracts on the basis of competitive  
6.27 proposals or perform work with its own forces without soliciting competitive bids if the  
6.28 construction manager provides evidence of competitive pricing.

6.29 **Sec. 7. [473J.06] ISSUANCE OF BONDS.**

6.30 Subdivision 1. Bonds. (a) The authority may by resolution, by a vote of a majority  
6.31 of its members, authorize the sale and issuance of its bonds for any or all of the following  
6.32 purposes:

6.33 (1) to provide funds and pay costs to predesign, design, construct, furnish, equip,  
6.34 and otherwise improve or better the sports facilities owned or to be owned by the authority  
6.35 pursuant to this act, including construction of a retractable or fixed roof, and to finance

7.1 acquisition of right-of-way and construction and reconstruction of Interstate Highway  
7.2 35W and other trunk highways in Anoka County to improve access to the stadium;

7.4 (2) to establish a reserve fund or funds for the bonds and to pay costs of issuance  
7.4 of the bonds;

7.5 (3) to refund bonds issued under this section; and

7.6 (4) to fund judgments entered by any court against the authority in matters relating  
7.7 to the authority's functions related to the sports facilities.

7.8 (b) The county may by resolution by a vote of a majority of its members, authorize  
7.9 the sale and issuance of its bonds for the costs of constructing and equipping the stadium.

7.10 Subd. 2. Procedure. The bonds shall be sold, issued, and secured on the terms and  
7.11 conditions the authority or the county, as applicable, determines to be in the best interests  
7.12 of the authority or county and residents therein, except as otherwise provided in this  
7.13 chapter. The bonds may be sold at any price and at public or private sale as determined by  
7.14 the authority or county. They shall be payable solely from tax and other revenues referred  
7.15 to in this chapter. The bonds shall not be a general obligation or debt of the authority  
7.16 or any city, county, or the state, and shall not be included in the net debt of any city,  
7.17 county, or other subdivision of the state for the purpose of any net debt limitation. No  
7.18 election shall be required.

7.19 Subd. 3. Limitations. (a) The principal amount of the bonds issued under  
7.20 subdivision 1 shall not exceed the amounts authorized in this subdivision. The principal  
7.21 amount of bonds issued by the authority under subdivision 1, paragraph (a), clauses (1)  
7.22 and (2), shall be limited to \$230,000,000 plus the amounts necessary to fund appropriate  
7.23 reserves and pay issuance costs.

7.24 (b) The principal amount of the bonds issued by the county under subdivision 1,  
7.25 paragraph (b), shall be limited to \$280,000,000, plus the amounts necessary to fund  
7.26 appropriate reserves and pay issuance costs.

7.27 (c) The authority and the county shall issue their bonds and construction of the  
7.28 stadium may commence when the authority has made the following determinations:

7.29 (1) the authority has executed a long-term use agreement with the Minnesota  
7.30 Vikings, meeting the requirements of section 473J.07;

7.31 (2) the authority has executed a development and financing agreement with Anoka  
7.32 County, the city of Blaine, and the Minnesota Vikings meeting the requirements of section  
7.33 473J.08;

7.34 (3) the proceeds of bonds authorized and provided for in this subdivision will  
7.35 be sufficient, together with other capital funds that may be available to the authority  
7.36 for expenditure on the sports facilities, including, except as otherwise provided in this

8.1 subdivision, the acquisition, clearance, relocation, and legal costs referred to in clauses  
8.2 (4) and (5);

8.3 (4) the authority has acquired title to or an interest in all real property, including all  
8.4 easements, air rights, and other appurtenances needed for the construction and operation of  
8.5 the sports facility or has received a grant of funds or has entered into agreements sufficient  
8.6 in the judgment of the authority to assure the receipt of funds, at the time and in the  
8.7 amount required, to make any payment upon which the authority's acquisition of title or  
8.8 interest in and possession of the real property is conditioned;

8.9 (5) the authority has received a grant of funds or entered into agreements sufficient  
8.10 in the judgment of the authority to assure the receipt of funds, at the time and in the  
8.11 amount required, to pay all costs, except as provided in this subdivision, of clearing the  
8.12 real property needed for the construction and operation of the sports facilities, railroad  
8.13 tracks, and other structures, including, without limitation, all relocation costs, all utility  
8.14 relocation costs, and all legal costs;

8.15 (6) the authority has executed agreements to prevent strikes that would halt, delay, or  
8.16 impede construction of the sports facilities;

8.17 (7) the authority has executed agreements that will provide for the construction of  
8.18 the sports facilities for a certified or guaranteed construction price and completion date  
8.19 and which include performance bonds in an amount at least equal to 100 percent of the  
8.20 certified or guaranteed price to cover any costs that may be incurred over and above the  
8.21 certified price, including, but not limited to, costs incurred by the authority or loss of  
8.22 revenues resulting from incomplete construction on the completion date;

8.23 (8) the anticipated revenue from the operation of the sports facilities plus any  
8.24 additional available revenue of the authority will be an amount sufficient to pay when due  
8.25 all debt service on the bonds issued under section 473J.06, subdivision 1, paragraph (a),  
8.26 plus all administration, operating, and maintenance expense of the sports facilities;

8.27 (9) the authority has determined that all public and private funding sources for  
8.28 construction and operation of the sports facilities are officially committed in writing and  
8.29 enforceable. The committed funds must be adequate to site, design, construct, furnish,  
8.30 equip, and service the sports facilities debt, as well as to pay for the ongoing operation  
8.31 and maintenance of the stadium;

8.32 (10) the authority shall ensure that a guaranty is in place in a form satisfactory  
8.33 to the authority. The guaranty may be in the form of a letter of credit, minimum net  
8.34 worth requirements, personal guaranties or other surety covering the payments on terms  
8.35 determined by the authority's negotiations with the Minnesota Vikings; and

9.1 (11) the validity of any bonds issued under subdivision 1, paragraph (a), clauses (1)  
9.2 and (2), or paragraph (b), and the obligation of the authority or the county related to  
9.3 them, shall not be conditioned upon or impaired by the authority's determinations made  
9.4 under this subdivision. For purposes of using the bonds, the determinations made by the  
9.5 authority shall be deemed conclusive and the authority shall be and remain obligated  
9.6 for the security and payment of the bonds issued under subdivision 1, paragraph (a),  
9.7 irrespective of determinations that may be erroneous, inaccurate, or otherwise mistaken.

9.8 Subd. 4. Security. To the extent and in the manner provided in this chapter, the  
9.9 taxes described in this chapter, the tax and other revenues of the authority described in this  
9.10 act, and any other revenues of the authority attributable to the sports facilities, including  
9.11 teams' and Anoka County contributions, shall be and remain pledged and appropriated to  
9.12 the authority as appropriate for the payment of all necessary and reasonable expenses of  
9.13 the operation, administration, maintenance of the sports facilities, and debt service of the  
9.14 bonds until all bonds or certificates of indebtedness issued pursuant to this chapter are  
9.15 fully paid or discharged in accordance with law. Bonds issued pursuant to this chapter  
9.16 may be secured by a bond resolution, or by a trust indenture entered into by the authority  
9.17 or county, as applicable, with a corporate trustee within or outside the state, which shall  
9.18 define the tax and team contributions, and other sports facilities revenues pledged for the  
9.19 payment and security of the bonds. The pledge shall be a valid charge on the tax and all  
9.20 other revenues referred to in this chapter from the date when bonds are first issued or  
9.21 secured under the resolution or indenture and shall secure the payment of principal and  
9.22 interest and redemption premiums when due and the maintenance at all times of a reserve  
9.23 or reserves securing payments. No mortgage of or security interest in any tangible real or  
9.24 personal property shall be granted to the bondholders or the trustee, but they shall have a  
9.25 valid security interest in all tax and other revenues received and accounts receivable by  
9.26 the authority or county shall be hereunder, as against the claims of all other persons in  
9.27 tort, contract, or otherwise, irrespective of whether the parties have notice of the claims,  
9.28 and without possession or filing as provided in the Uniform Commercial Code or any  
9.29 other law. In the bond resolution or trust indenture, the authority or county may make  
9.30 covenants, which shall be binding upon the authority or county, that are determined to be  
9.31 usual and reasonably necessary for the protection of the bondholders. No pledge shall be  
9.32 revoked or amended by law or by action of the authority or county except in accordance  
9.33 with the terms of the bond resolution or indenture under which the bonds are issued, until  
9.34 the obligations of the authority are fully discharged.

9.35 Subd. 5. No full faith and credit. Any bonds or other obligations issued by the  
9.36 authority or county under this act are not public debt of the state, and the full faith and

10.1 credit and taxing powers of the state are not pledged for their payment or of any payments  
10.2 that the state agrees to make under this act.

10.3 Subd. 6. Taxability of interest on bonds. The bonds authorized by this act may  
10.4 be issued whether or not the interest to be paid on them is gross income for federal tax  
10.5 purposes, provided that the authority and the county must make an effort to arrange the  
10.6 financing for the project in a manner that would allow the interest to be tax-exempt to the  
10.7 greatest extent possible.

10.8 **Sec. 8. [473J.07] DEVELOPMENT AND FINANCING AGREEMENT.**

10.9 Subdivision 1. Agreement required. Prior to the issuance of bonds under section  
10.10 473J.06, the authority shall negotiate and enter into an agreement with Anoka County,  
10.11 the city of Blaine, and the Minnesota Vikings concerning the terms and conditions under  
10.12 which the parties will make contributions of funds, future revenues, interests in property  
10.13 for the site and public infrastructure, the method of completing design and construction,  
10.14 which may include the design build process, the integration of the stadium and related  
10.15 infrastructure with surrounding development, and other matters relating to the stadium,  
10.16 its operation, maintenance, and financing. This agreement shall, at a minimum, meet  
10.17 the requirements of this section.

10.18 Subd. 2. Total public investment towards stadium project costs. The total public  
10.19 investment, including Anoka County's revenue contributions and revenues collected by  
10.20 the authority in the stadium district defined in section 473J.02, subdivision 2, shall not  
10.21 exceed 59 percent of the stadium project costs. As used in this section, "stadium project  
10.22 costs" includes the costs of the following:

10.23 (1) acquisition of land needed for the stadium structure and related parking and  
10.24 infrastructure;

10.25 (2) design and construction of the stadium and related infrastructure;

10.26 (3) finished space and fixtures, furniture, and equipment within the stadium project  
10.27 for the Minnesota Vikings, concessions, suites, and the administrative offices of the  
10.28 authority;

10.29 (4) land, design, construction, fixtures, furniture, and equipment for the Minnesota  
10.30 Vikings indoor practice facility and exhibition hall; and

10.31 (5) professional and administrative services necessary for issuance of bonds and  
10.32 related costs and for creating the authority.

10.33 The extent of the expenditures under this section is subject to the agreement of  
10.34 Anoka County and the Minnesota Vikings. Expenditures for finishing and equipping

11.1 the space within the stadium for the Minnesota Vikings is subject to a per square foot  
11.2 maximum agreed to by the county and the team.

11.3 Subd. 3. **Team contribution.** The team must contribute no less than \$280,000,000  
11.4 to the sports facility costs. Team contributions may include, but are not limited to,  
11.5 contribution of land, initial cash contributions, guaranteed annual payments, and  
11.6 assignments of naming rights and permanent seat licenses, but does not include payments  
11.7 of operating and maintenance expenses for the stadium, which must be made by the team.  
11.8 In addition to any other team contribution, the team must assume and pay when due  
11.9 all cost overruns for the stadium.

11.10 **Sec. 9. [473J.08] USE AGREEMENT.**

11.11 Subdivision 1. **Requirement.** Prior to the issuance of bonds under section 473J.06,  
11.12 the authority must have entered into an agreement with the Minnesota Vikings and the  
11.13 National Football League meeting the requirements of this section.

11.14 Subd. 2. **Agreement with Minnesota Vikings.** The authority shall enter into a use  
11.15 agreement with the Minnesota Vikings that, at a minimum, provides for the following:

11.16 (1) the Minnesota Vikings will use the stadium for all scheduled home preseason,  
11.17 regular season, and postseason games that the team is entitled to play at home for a term  
11.18 of not less than 30 years;

11.19 (2) the agreement must include terms for default, termination, and breach of  
11.20 agreement; and

11.21 (3) the agreement must require specific performance and must not include escape  
11.22 clauses or buyout provisions.

11.23 Subd. 3. **Agreement with national football league.** The authority shall enter into  
11.24 an agreement with the National Football League guaranteeing the continuance of the  
11.25 Minnesota Vikings in the metropolitan area for the period of the agreements referred to in  
11.26 subdivision 2, clause (1).

11.27 **Sec. 10. [473J.09] ANOKA COUNTY REVENUE SOURCES; ADDITIONAL**  
11.28 **SPENDING AUTHORITY.**

11.29 Subdivision 1. **General.** Anoka County may utilize the following revenue sources  
11.30 to make contributions to its share of the total stadium project costs.

11.31 Subd. 2. **Taxing authority.** To provide local government revenues to finance the  
11.32 stadium under this act, including payment of debt service on obligations issued under  
11.33 section 473J.06, subdivision 1, paragraph (b), Anoka County may:

11.34 (1) impose a tax on restaurants, places of amusement, alcoholic beverages or  
11.35 prepared food, or a tax on lodging, or any of them; or

12.1 (2) impose a general sales and use tax on sales subject to taxation under chapter  
12.2 297A, within its jurisdiction of not more than 0.75 percent; the tax imposed under this  
12.3 clause must terminate 30 days after the stadium authority determines that sufficient  
12.4 revenues have been received from this tax and other sources to retire or redeem the bonds  
12.5 issued under section 473J.06, subdivision 1, paragraph (b).

12.6 These taxes may be imposed notwithstanding the provisions of section 477A.016. The  
12.7 requirements of section 297A.99, subdivisions 2 and 3, do not apply to any tax imposed  
12.8 under this subdivision.

12.9 Subd. 3. Excess revenues. In any year in which the revenues raised by the taxes  
12.10 imposed under this section exceed the amount necessary for payment of debt service on  
12.11 obligations issued under section 473J.06, subdivision 1, paragraph (b), the Anoka County  
12.12 Board may spend the excess for transportation and public safety projects in the county.

12.13 **Sec. 11. [473J.10] STADIUM TAX INCREMENT COMPUTATION.**

12.14 (a) The authority may negotiate with the teams for the capture of stadium tax  
12.15 increments as provided in this section.

12.16 (b) For any year during which National Football League games are played in the  
12.17 stadium constructed under this act, the commissioner of revenue shall, by March 1 of the  
12.18 following year, certify the amount of stadium taxes collected in the previous calendar  
12.19 year and the amount by which those taxes are in excess of a baseline tax amount. The  
12.20 amount of stadium taxes that are certified by the commissioner as being in excess of the  
12.21 baseline tax amount must be deposited in a debt service account in the state treasury and is  
12.22 appropriated each year to the authority to pay the principal and interest on revenue bonds  
12.23 issued under section 473J.06, subdivision 1, paragraph (a), for the stadium.

12.24 (c) The stadium taxes are the taxes collected at the stadium district as described in  
12.25 this paragraph. Each year, stadium taxes equal the sum of (1) the withholding taxes due  
12.26 in a calendar year pursuant to section 290.92 by the Minnesota Vikings, (2) the sales tax  
12.27 on ticket sales for admission to professional football-related events at the stadium and  
12.28 sales tax remitted by vendors and concessionaires for sales at professional football-related  
12.29 events occurring at the stadium in a calendar year, and (3) the state general tax imposed  
12.30 under section 275.025, within the stadium district. The baseline tax amount is the amount  
12.31 of stadium taxes as determined in this paragraph for professional football games or related  
12.32 events held in the Metrodome in 2004. The sales tax for football-related events occurring  
12.33 at the stadium must be reported in the manner prescribed by the commissioner of revenue.

12.34 (d) The capture of tax increments under this section terminates upon a determination  
12.35 by the authority that sufficient revenues have been raised from all sources authorized



13.1 under this act to retire or redeem the bonds issued under section 473J.06, subdivision 1,  
13.2 paragraph (a).

Sec. 12. **[473J.11] ENVIRONMENTAL REQUIREMENTS.**

13.4 The authority must ensure that environmental requirements imposed by appropriate  
13.5 regulatory agencies for the sports facilities are complied with. "

13.6 Amend the title accordingly

*Adopted*

1.1 Senator *Higgins*... moves to amend the delete-everything amendment (VIKINGS)  
1.2 to S.F. No. 2061 as follows:

1.3 Page 13, line 5, after the period, insert "The authority must ensure that the  
1.4 stadium receives Leadership in Energy and Environmental Design (LEED) certification  
1.5 for environmental design, and to the extent practicable, that the stadium design is  
1.6 architecturally significant."

**USE AFTER SENATE COMMITTEE DEADLINE (March 28)**

Companion H.F. No. 2294 now in House Gov Ops & Vet Affairs Committee;

sent there on 3 13, 06; OR had second reading on \_\_\_\_\_,

**COMMITTEE REPORT - WITH AMENDMENTS**

**Committee on** State and Local Government Operations

**S.F. No.** 2061

Resolution

Re-referred (from another committee)

**Amendments:**

A-1

Delete Everything

<p><u>Am</u> pg 6 <del>lines</del> after line 16; insert</p> <p>pg 6, line 11, delete and</p> <p>pg 2, line 21, after state insert " or local</p>	<p>(3) ensure that, to the greatest extent practicable, the Stadium is constructed of American-made steel."</p>
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**Committee recommendation:**

And when so amended the bill do pass.

And when so amended the bill do pass and be placed on the Consent Calendar.

And when so amended the bill do pass and be re-referred to the Committee on

Taxes.

**No recommendation:** And when so amended the bill be

(re-referred to the Committee on \_\_\_\_\_ OR

(reported to the Senate).

\_\_\_\_\_, \_\_\_\_\_ (date of committee recommendation)

1.1 **Senator Higgins from the Committee on State and Local Government**  
1.2 **Operations, to which was referred**

1.5 **S.F. No. 2061:** A bill for an act relating to stadiums; providing for the financing of a  
1.6 football stadium in Anoka County; creating a stadium authority; authorizing the county  
1.7 to levy and collect certain taxes; amending Minnesota Statutes 2004, sections 297A.68,  
by adding a subdivision; 297A.71, by adding a subdivision; proposing coding for new  
law as Minnesota Statutes, chapter 473J.

1.8 Reports the same back with the recommendation that the bill be amended as follows:

1.9 Delete everything after the enacting clause and insert:

1.10 "Section 1. Minnesota Statutes 2004, section 297A.71, is amended by adding a  
1.11 subdivision to read:

1.12 Subd. 37. Stadium construction materials and equipment exempt. Materials  
1.13 and supplies used or consumed in, and equipment incorporated into the construction of  
1.14 a National Football League stadium constructed under chapter 473J are exempt. The  
1.15 exemption under this subdivision terminates one year after the first National Football  
1.16 League game is played in the stadium.

1.17 **Sec. 2. [473J.01] PURPOSE.**

1.18 The legislature finds that construction of a new stadium that meets National  
1.19 Football League programmatic requirements, with a retractable or fixed roof, in the  
1.20 city of Blaine, county of Anoka, serves a public purpose. The legislature finds that the  
1.21 public purpose served includes retaining the Minnesota Vikings as a part of Minnesota's  
1.22 public amenities for its citizens and as a major attraction to visitors to the state, adding to  
1.23 the economic development of the state, Anoka County, and surrounding communities,  
1.24 attracting revenue from out of the state, and preserving the contributions of football to the  
1.25 culture of Minnesota and to the enjoyment of its citizens. Further, the legislature finds  
1.26 that a National Football League stadium may be financed as a public-private partnership  
1.27 between the state, Anoka County, the Minnesota Vikings, and other supporting interests  
1.28 that may contribute to the construction of a football stadium and related facilities. The  
1.29 legislature further finds that a new stadium should be coordinated with transportation  
1.30 and transit plans and activities.

1.31 **Sec. 3. [473J.02] DEFINITIONS.**

1.32 Subdivision 1. Terms. For the purposes of this chapter, the terms defined in this  
1.33 section have the meanings given them in this section, except as otherwise expressly  
1.34 provided or indicated by the context.

1.35 Subd. 2. Authority. "Authority" means the Anoka County-Blaine Stadium  
Authority.

1.37            Subd. 3. **Sports facilities.** "Sports facilities" means the stadium, with a retractable  
1.38 or fixed roof, adjoining structures related to the operation of the stadium, practice  
2.1 facilities, including preseason training camp facilities, and other supporting infrastructure,  
2.2 including parking.

2.3            Subd. 4. **Stadium district.** "Stadium district" means a district, containing the  
2.4 National Football League stadium and consisting of no more than 740 contiguous acres  
2.5 surrounding the sports facilities that is jointly designated by the authority, Anoka County,  
2.6 and the city of Blaine.

2.7            **Sec. 4. [473J.03] LOCATION.**

2.8            The new National Football League stadium shall be located in the city of Blaine,  
2.9 Anoka County, Minnesota.

2.10           **Sec. 5. [473J.04] ANOKA COUNTY-BLAINE STADIUM AUTHORITY;**  
2.11 **MEMBERSHIP; ADMINISTRATION.**

2.12           Subdivision 1. **General.** The Anoka County-Blaine Stadium Authority is established  
2.13 and shall be organized and administered as provided in this section. The authority shall  
2.14 have those powers authorized by section 473J.05.

2.15           Subd. 2. **Membership.** The authority shall have seven members, three of whom  
2.16 shall be appointed by the Anoka County Board of Commissioners and three of whom shall  
2.17 be appointed by the Blaine City Council. The seventh member shall be a chair appointed  
2.18 as provided in subdivision 3.

2.19           Subd. 3. **Chair.** The chair shall be appointed by the governor as the seventh voting  
2.20 member and shall meet all the qualifications of a member. The chair shall preside at all  
2.21 meetings of the authority, if present, and shall perform all other duties and functions  
2.22 assigned by the authority or by law. The authority may appoint from among its members a  
2.23 vice-chair to act for the chair during temporary absence or disability.

2.24           Subd. 4. **Qualifications.** A member shall not, during a term of office, hold any  
2.25 judicial office or office of state or local government. Each member shall qualify by taking  
2.26 and subscribing the oath of office prescribed by the Minnesota Constitution, article V,  
2.27 section 6.

2.28           Subd. 5. **Terms.** The initial terms of three members shall end the first Monday of  
2.29 January 2010. Two of these members must be appointed by the Anoka County Board, and  
2.30 one by the Blaine City Council. The terms of the other members and the chair shall end  
2.31 the first Monday in January 2012. Subsequent terms of each member and chair shall be  
2.32 four years. The term shall continue until a successor is appointed and qualified. Members  
2.33 may be removed only for cause.

2.34 Subd. 6. Vacancies. Vacancies shall be filled by the appropriate appointing authority  
2.35 in the same manner in which the original appointment was made.

3.2 Subd. 7. Compensation. Each authority member shall be paid \$50 for each day  
3.3 when the member attends one or more meetings or provides other services, as authorized  
3.4 by the authority, and shall be reimbursed for all actual and necessary expenses incurred  
3.5 in the performance of duties. The chair of the authority shall receive, unless otherwise  
3.6 provided by other law, a salary in an amount fixed by the members of the authority and  
3.7 shall be reimbursed for reasonable expenses to the same extent as a member. The annual  
3.8 budget shall provide as a separate account anticipated expenditures for per diem, travel,  
3.9 and associated expenses for the chair and members, and compensation or reimbursement  
3.10 shall be made to the chair and members only when budgeted.

3.10 Subd. 8. Regular and special meetings. The authority shall meet regularly at least  
1 once each month, at a time and place as the authority shall by resolution designate. Special  
3.12 meetings may be held at any time upon the call of the chair or a majority of the members,  
3.13 upon written notice to each member at least three days prior to the meeting, or upon other  
3.14 notice that the authority provides by resolution. Unless otherwise provided, any action of  
3.15 the authority may be taken by affirmative vote of a majority of the members. A majority  
3.16 of all the members of the authority constitutes a quorum, but a lesser number may meet  
3.17 and adjourn from time to time and compel the attendance of absent members.

3.18 Subd. 9. Executive director. The authority shall appoint an executive director  
3.19 who shall be chosen on the basis of training, experience, and other related qualifications.  
3.20 The executive director shall serve at the pleasure of the authority, but shall not vote, and  
3.21 shall have the following powers and duties:

2 (1) see that all resolutions, rules, or orders of the authority are enforced;

3.23 (2) appoint and remove all subordinate officers and regular employees of the  
3.24 authority;

3.25 (3) present to the authority plans, studies, or reports prepared for authority purposes  
3.26 and recommend to the authority for adoption the measures the executive director deems  
3.27 necessary to enforce or carry out the powers and duties of the authority, or to the efficient  
3.28 administration of the affairs of the authority;

3.29 (4) keep the authority fully advised as to its financial condition, prepare and submit  
3.30 to the authority its annual budget, and other financial information it requests;

3.31 (5) recommend to the authority for adoption the rules the executive director deems  
2 necessary for the efficient operation of the authority's functions; and

3.33 (6) perform other duties prescribed by the authority.

3.34 Sec. 6. [473J.05] POWERS OF AUTHORITY.

4.1 Subdivision 1. General. The authority has all powers necessary or convenient to  
4.2 accomplish the purposes of this chapter, including, but not limited to, those specified  
4.3 in this section.

4.4 Subd. 2. Actions. The authority may sue and be sued and is a public body within  
4.5 the meaning of chapter 562.

4.6 Subd. 3. Acquisition of property. The authority may acquire by lease, purchase,  
4.7 monetary or land contribution, or devise all necessary right, title, and interest in and to real  
4.8 or personal property deemed necessary to the purposes contemplated by this chapter.

4.9 Subd. 4. Tax exemption. Any real or personal property acquired, owned, leased,  
4.10 controlled, used, or occupied by the authority for any of the purposes of this chapter  
4.11 is declared to be acquired, owned, leased, controlled, used, and occupied for public,  
4.12 governmental, and municipal purposes, and is exempt from ad valorem taxation by the state  
4.13 or any political subdivision of the state. The properties are subject to special assessments  
4.14 levied by a political subdivision for a local improvement in amounts proportionate to and  
4.15 not exceeding the special benefit received by the properties from the improvement. No  
4.16 possible use of any of the properties in any manner different from their use under this  
4.17 chapter at the time shall be considered in determining the special benefit received by the  
4.18 properties. All assessments are subject to final confirmation by the authority, whose  
4.19 determination of the benefits is conclusive upon the political subdivision levying the  
4.20 assessment. Notwithstanding section 272.01, subdivision 2, or 273.19, property leased by  
4.21 the authority to another person for uses related to the purposes of this chapter is exempt  
4.22 from taxation regardless of the length of the lease. This exemption includes concessions,  
4.23 suites, locker rooms, and clubhouse facilities in the stadium and parking facilities on the  
4.24 stadium site, as well as space occupied by the authority. It does not include team offices,  
4.25 residential, business, or commercial development, or parking facilities primarily for these  
4.26 uses, or other property not directly related to the operation of a stadium facility.

4.27 Subd. 5. Liquor licenses. The city of Blaine may issue one or more intoxicating  
4.28 liquor licenses for the stadium. These licenses are in addition to the number authorized by  
4.29 law. All provisions of chapter 340A not inconsistent with this subdivision apply to the  
4.30 licenses authorized under this subdivision.

4.31 Subd. 6. Facility operation. The authority may equip, improve, operate, manage,  
4.32 maintain, and control the sports facilities constructed, remodeled, or acquired under the  
4.33 provisions of this chapter. The authority may delegate any of these duties to a qualified  
4.34 third party. The authority must seek to promote and maximize the use of the sports  
4.35 facilities for nonfootball events.

5.1 Subd. 7. Disposition of property. The authority may sell, lease, or otherwise  
5.2 dispose of any real or personal property acquired by it, which is no longer required for  
5.3 accomplishment of its purposes. The property must be sold in accordance with the  
5.4 procedures provided by section 469.065, except subdivisions 6 and 7.

5.5 Subd. 8. Gifts and grants. The authority may accept donations of money, property,  
5.6 or services; may apply for and accept grants or loans of money or other property from the  
5.7 United States, the state, any subdivision of the state, or any person for any of its purposes;  
5.8 may enter into any agreement required in connection therewith; and may hold, use, and  
5.9 dispose of the donations according to the terms of the gifts, grant, loan, or agreement. In  
5.10 evaluating proposed monetary contributions, grants, loans, and agreements required in  
5.11 connection therewith, the authority shall examine the possible short-range and long-range  
5.12 impact on authority revenues and authority operating expenditures. The authority must  
5.13 notify potential contributors that contributions qualify for the charitable contribution  
5.14 deductions under section 170 of the Internal Revenue Code, provided that the contributor  
5.15 does not receive substantial direct benefit from the contribution.

5.16 Subd. 9. Issuance of bonds. The authority may authorize the sale and issuance of  
5.17 bonds in the manner and for the purposes set out in section 473J.06.

5.18 Subd. 10. Research. The authority may conduct research studies and programs;  
5.19 collect and analyze data; prepare reports, maps, charts, and tables; and conduct all  
5.20 necessary hearings and investigations in connection with its functions.

5.21 Subd. 11. Use agreements. The authority may lease, license, or enter into  
5.22 agreements and may fix, alter, charge, and collect rentals, fees, and charges to all persons  
5.23 for the use, occupation, and availability of part or all of any premises, property, or  
5.24 facilities under its ownership, operation, or control for purposes that will provide athletic,  
5.25 educational, cultural, commercial, or other entertainment, instruction, or activity for  
5.26 citizens of the state of Minnesota and visitors. Any use agreement may provide that  
5.27 the other contracting party has exclusive use of the premises at the times agreed upon,  
5.28 including exclusive use and control for the term of its agreement by the Minnesota Vikings.

5.29 Subd. 12. Insurance. The authority may require any employee to obtain and  
5.30 file with it an individual bond or fidelity insurance policy. It may procure insurance in  
5.31 the amounts it considers necessary against liability of the authority or its officers and  
5.32 employees for personal injury or death and property damage or destruction, with the force  
5.33 and effect stated in chapter 466, and against risks of damage to or destruction of any of  
5.34 its facilities, equipment, or other property.

5.35 Subd. 13. Creating a condominium. The authority may, by itself or together with  
5.36 any other entity, as to real or personal property comprising or appurtenant or ancillary to



6.1 the stadium constructed and operated under this chapter or other law, act as a declarant and  
6.2 establish a condominium or leasehold condominium under chapter 515A, or a common  
6.3 interest community or leasehold common interest community under chapter 515B, and  
6.4 may grant, establish, create, or join in other or related easements, agreements, and similar  
6.5 benefits and burdens that the authority may consider necessary or appropriate, and exercise  
6.6 any and all rights and privileges and assume obligations under them as a declarant, unit  
6.7 owner, or otherwise, insofar as practical and consistent with applicable law. The authority  
6.8 may be a member of an association and the chair, any commissioners, and any officers  
6.9 and employees of the authority may serve on the board of an association under chapter  
6.10 515A or 515B or other law.

6.11 Subd. 14. Procurement. (a) The authority and the Minnesota Vikings shall  
6.12 jointly select a construction manager. With respect to the construction of the stadium,  
6.13 the construction manager must:

6.14 (1) guarantee a maximum cost of construction;

6.15 (2) provide payment and performance bonds or other security reasonably acceptable  
6.16 to the authority in an amount equal to the guaranteed maximum cost of construction, and  
6.17 shall comply with all employment requirements applicable to city and state contracts for  
6.18 construction, including prevailing wages as defined in section 177.42, affirmative action,  
6.19 and outreach; and

6.20 (3) ensure that, to the greatest extent practicable, the stadium is constructed of  
6.21 American-made steel.

6.22 (b) The lessee under the stadium lease described in paragraph (c) or the construction  
6.23 manager may enter into contracts with contractors for labor, materials, supplies, and  
6.24 equipment to equip and construct the new stadium through the process of public bidding.

6.25 (c) The lessee or the construction manager may:

6.26 (1) limit the list of eligible bidders to those that the construction manager determines  
6.27 possess sufficient expertise to perform the intended functions;

6.28 (2) award contracts to the contractors that the construction manager determines  
6.29 provide the best value, which need not be the lowest responsible bidder; and

6.30 (3) for work the construction manager determines to be critical to the completion  
6.31 schedule, the construction manager may award contracts on the basis of competitive  
6.32 proposals or perform work with its own forces without soliciting competitive bids if the  
6.33 construction manager provides evidence of competitive pricing.

6.34 Sec. 7. [473J.06] ISSUANCE OF BONDS.

7.1 Subdivision 1. Bonds. (a) The authority may by resolution, by a vote of a majority  
7.2 of its members, authorize the sale and issuance of its bonds for any or all of the following  
7.3 purposes:

7.4 (1) to provide funds and pay costs to predesign, design, construct, furnish, equip,  
7.5 and otherwise improve or better the sports facilities owned or to be owned by the authority  
7.6 pursuant to this act, including construction of a retractable or fixed roof, and to finance  
7.7 acquisition of right-of-way and construction and reconstruction of Interstate Highway  
7.8 35W and other trunk highways in Anoka County to improve access to the stadium;

7.9 (2) to establish a reserve fund or funds for the bonds and to pay costs of issuance  
7.10 of the bonds;

7.11 (3) to refund bonds issued under this section; and

7.12 (4) to fund judgments entered by any court against the authority in matters relating  
7.13 to the authority's functions related to the sports facilities.

7.14 (b) The county may by resolution by a vote of a majority of its members, authorize  
7.15 the sale and issuance of its bonds for the costs of constructing and equipping the stadium.

7.16 Subd. 2. Procedure. The bonds shall be sold, issued, and secured on the terms and  
7.17 conditions the authority or the county, as applicable, determines to be in the best interests  
7.18 of the authority or county and residents therein, except as otherwise provided in this  
7.19 chapter. The bonds may be sold at any price and at public or private sale as determined by  
7.20 the authority or county. They shall be payable solely from tax and other revenues referred  
7.21 to in this chapter. The bonds shall not be a general obligation or debt of the authority  
7.22 or any city, county, or the state, and shall not be included in the net debt of any city,  
7.23 county, or other subdivision of the state for the purpose of any net debt limitation. No  
7.24 election shall be required.

7.25 Subd. 3. Limitations. (a) The principal amount of the bonds issued under  
7.26 subdivision 1 shall not exceed the amounts authorized in this subdivision. The principal  
7.27 amount of bonds issued by the authority under subdivision 1, paragraph (a), clauses (1)  
7.28 and (2), shall be limited to \$230,000,000 plus the amounts necessary to fund appropriate  
7.29 reserves and pay issuance costs.

7.30 (b) The principal amount of the bonds issued by the county under subdivision 1,  
7.31 paragraph (b), shall be limited to \$280,000,000, plus the amounts necessary to fund  
7.32 appropriate reserves and pay issuance costs.

7.33 (c) The authority and the county shall issue their bonds and construction of the  
7.34 stadium may commence when the authority has made the following determinations:

7.35 (1) the authority has executed a long-term use agreement with the Minnesota  
7.36 Vikings, meeting the requirements of section 473J.07;

8.1 (2) the authority has executed a development and financing agreement with Anoka  
8.2 County, the city of Blaine, and the Minnesota Vikings meeting the requirements of section  
8.3 473J.08;

8.4 (3) the proceeds of bonds authorized and provided for in this subdivision will  
8.5 be sufficient, together with other capital funds that may be available to the authority  
8.6 for expenditure on the sports facilities, including, except as otherwise provided in this  
8.7 subdivision, the acquisition, clearance, relocation, and legal costs referred to in clauses  
8.8 (4) and (5);

8.9 (4) the authority has acquired title to or an interest in all real property, including all  
8.10 easements, air rights, and other appurtenances needed for the construction and operation of  
8.11 the sports facility or has received a grant of funds or has entered into agreements sufficient  
8.12 in the judgment of the authority to assure the receipt of funds, at the time and in the  
8.13 amount required, to make any payment upon which the authority's acquisition of title or  
8.14 interest in and possession of the real property is conditioned;

8.15 (5) the authority has received a grant of funds or entered into agreements sufficient  
8.16 in the judgment of the authority to assure the receipt of funds, at the time and in the  
8.17 amount required, to pay all costs, except as provided in this subdivision, of clearing the  
8.18 real property needed for the construction and operation of the sports facilities, railroad  
8.19 tracks, and other structures, including, without limitation, all relocation costs, all utility  
8.20 relocation costs, and all legal costs;

8.21 (6) the authority has executed agreements to prevent strikes that would halt, delay, or  
8.22 impede construction of the sports facilities;

8.23 (7) the authority has executed agreements that will provide for the construction of  
8.24 the sports facilities for a certified or guaranteed construction price and completion date  
8.25 and which include performance bonds in an amount at least equal to 100 percent of the  
8.26 certified or guaranteed price to cover any costs that may be incurred over and above the  
8.27 certified price, including, but not limited to, costs incurred by the authority or loss of  
8.28 revenues resulting from incomplete construction on the completion date;

8.29 (8) the anticipated revenue from the operation of the sports facilities plus any  
8.30 additional available revenue of the authority will be an amount sufficient to pay when due  
8.31 all debt service on the bonds issued under section 473J.06, subdivision 1, paragraph (a),  
8.32 plus all administration, operating, and maintenance expense of the sports facilities;

8.33 (9) the authority has determined that all public and private funding sources for  
8.34 construction and operation of the sports facilities are officially committed in writing and  
8.35 enforceable. The committed funds must be adequate to site, design, construct, furnish,

9.1 equip, and service the sports facilities debt, as well as to pay for the ongoing operation  
9.2 and maintenance of the stadium;

9.3 (10) the authority shall ensure that a guaranty is in place in a form satisfactory  
9.4 to the authority. The guaranty may be in the form of a letter of credit, minimum net  
9.5 worth requirements, personal guaranties or other surety covering the payments on terms  
9.6 determined by the authority's negotiations with the Minnesota Vikings; and

9.7 (11) the validity of any bonds issued under subdivision 1, paragraph (a), clauses (1)  
9.8 and (2), or paragraph (b), and the obligation of the authority or the county related to  
9.9 them, shall not be conditioned upon or impaired by the authority's determinations made  
9.10 under this subdivision. For purposes of using the bonds, the determinations made by the  
9.11 authority shall be deemed conclusive and the authority shall be and remain obligated  
9.12 for the security and payment of the bonds issued under subdivision 1, paragraph (a),  
9.13 irrespective of determinations that may be erroneous, inaccurate, or otherwise mistaken.

9.14 Subd. 4. Security. To the extent and in the manner provided in this chapter, the  
9.15 taxes described in this chapter, the tax and other revenues of the authority described in this  
9.16 act, and any other revenues of the authority attributable to the sports facilities, including  
9.17 teams' and Anoka County contributions, shall be and remain pledged and appropriated to  
9.18 the authority as appropriate for the payment of all necessary and reasonable expenses of  
9.19 the operation, administration, maintenance of the sports facilities, and debt service of the  
9.20 bonds until all bonds or certificates of indebtedness issued pursuant to this chapter are  
9.21 fully paid or discharged in accordance with law. Bonds issued pursuant to this chapter  
9.22 may be secured by a bond resolution, or by a trust indenture entered into by the authority  
9.23 or county, as applicable, with a corporate trustee within or outside the state, which shall  
9.24 define the tax and team contributions, and other sports facilities revenues pledged for the  
9.25 payment and security of the bonds. The pledge shall be a valid charge on the tax and all  
9.26 other revenues referred to in this chapter from the date when bonds are first issued or  
9.27 secured under the resolution or indenture and shall secure the payment of principal and  
9.28 interest and redemption premiums when due and the maintenance at all times of a reserve  
9.29 or reserves securing payments. No mortgage of or security interest in any tangible real or  
9.30 personal property shall be granted to the bondholders or the trustee, but they shall have a  
9.31 valid security interest in all tax and other revenues received and accounts receivable by  
9.32 the authority or county shall be hereunder, as against the claims of all other persons in  
9.33 tort, contract, or otherwise, irrespective of whether the parties have notice of the claims,  
9.34 and without possession or filing as provided in the Uniform Commercial Code or any  
9.35 other law. In the bond resolution or trust indenture, the authority or county may make  
9.36 covenants, which shall be binding upon the authority or county, that are determined to be

10.1 usual and reasonably necessary for the protection of the bondholders. No pledge shall be  
10.2 revoked or amended by law or by action of the authority or county except in accordance  
10.3 with the terms of the bond resolution or indenture under which the bonds are issued, until  
10.4 the obligations of the authority are fully discharged.

10.5 Subd. 5. No full faith and credit. Any bonds or other obligations issued by the  
10.6 authority or county under this act are not public debt of the state, and the full faith and  
10.7 credit and taxing powers of the state are not pledged for their payment or of any payments  
10.8 that the state agrees to make under this act.

10.9 Subd. 6. Taxability of interest on bonds. The bonds authorized by this act may  
10.10 be issued whether or not the interest to be paid on them is gross income for federal tax  
10.11 purposes, provided that the authority and the county must make an effort to arrange the  
10.12 financing for the project in a manner that would allow the interest to be tax-exempt to the  
10.13 greatest extent possible.

10.14 **Sec. 8. [473J.07] DEVELOPMENT AND FINANCING AGREEMENT.**

10.15 Subdivision 1. Agreement required. Prior to the issuance of bonds under section  
10.16 473J.06, the authority shall negotiate and enter into an agreement with Anoka County,  
10.17 the city of Blaine, and the Minnesota Vikings concerning the terms and conditions under  
10.18 which the parties will make contributions of funds, future revenues, interests in property  
10.19 for the site and public infrastructure, the method of completing design and construction,  
10.20 which may include the design build process, the integration of the stadium and related  
10.21 infrastructure with surrounding development, and other matters relating to the stadium,  
10.22 its operation, maintenance, and financing. This agreement shall, at a minimum, meet  
10.23 the requirements of this section.

10.24 Subd. 2. Total public investment towards stadium project costs. The total public  
10.25 investment, including Anoka County's revenue contributions and revenues collected by  
10.26 the authority in the stadium district defined in section 473J.02, subdivision 2, shall not  
10.27 exceed 59 percent of the stadium project costs. As used in this section, "stadium project  
10.28 costs" includes the costs of the following:

10.29 (1) acquisition of land needed for the stadium structure and related parking and  
10.30 infrastructure;

10.31 (2) design and construction of the stadium and related infrastructure;

10.32 (3) finished space and fixtures, furniture, and equipment within the stadium project  
10.33 for the Minnesota Vikings, concessions, suites, and the administrative offices of the  
10.34 authority;

10.35 (4) land, design, construction, fixtures, furniture, and equipment for the Minnesota  
10.36 Vikings indoor practice facility and exhibition hall; and

11.1 (5) professional and administrative services necessary for issuance of bonds and  
11.2 related costs and for creating the authority.

The extent of the expenditures under this section is subject to the agreement of  
11.4 Anoka County and the Minnesota Vikings. Expenditures for finishing and equipping  
11.5 the space within the stadium for the Minnesota Vikings is subject to a per square foot  
11.6 maximum agreed to by the county and the team.

11.7 Subd. 3. **Team contribution.** The team must contribute no less than \$280,000,000  
11.8 to the sports facility costs. Team contributions may include, but are not limited to,  
11.9 contribution of land, initial cash contributions, guaranteed annual payments, and  
11.10 assignments of naming rights and permanent seat licenses, but does not include payments  
11.11 of operating and maintenance expenses for the stadium, which must be made by the team.  
11.12 In addition to any other team contribution, the team must assume and pay when due  
13 all cost overruns for the stadium.

11.14 Sec. 9. [473J.08] USE AGREEMENT.

11.15 Subdivision 1. **Requirement.** Prior to the issuance of bonds under section 473J.06,  
11.16 the authority must have entered into an agreement with the Minnesota Vikings and the  
11.17 National Football League meeting the requirements of this section.

11.18 Subd. 2. **Agreement with Minnesota Vikings.** The authority shall enter into a use  
11.19 agreement with the Minnesota Vikings that, at a minimum, provides for the following:

11.20 (1) the Minnesota Vikings will use the stadium for all scheduled home preseason,  
11.21 regular season, and postseason games that the team is entitled to play at home for a term  
11.22 of not less than 30 years;

23 (2) the agreement must include terms for default, termination, and breach of  
11.24 agreement; and

11.25 (3) the agreement must require specific performance and must not include escape  
11.26 clauses or buyout provisions.

11.27 Subd. 3. **Agreement with national football league.** The authority shall enter into  
11.28 an agreement with the National Football League guaranteeing the continuance of the  
11.29 Minnesota Vikings in the metropolitan area for the period of the agreements referred to in  
11.30 subdivision 2, clause (1).

11.31 Sec. 10. [473J.09] ANOKA COUNTY REVENUE SOURCES; ADDITIONAL  
11.32 SPENDING AUTHORITY.

33 Subdivision 1. **General.** Anoka County may utilize the following revenue sources  
11.34 to make contributions to its share of the total stadium project costs.

12.1 Subd. 2. Taxing authority. To provide local government revenues to finance the  
12.2 stadium under this act, including payment of debt service on obligations issued under  
12.3 section 473J.06, subdivision 1, paragraph (b), Anoka County may:

12.4 (1) impose a tax on restaurants, places of amusement, alcoholic beverages or  
12.5 prepared food, or a tax on lodging, or any of them; or

12.6 (2) impose a general sales and use tax on sales subject to taxation under chapter  
12.7 297A, within its jurisdiction of not more than 0.75 percent; the tax imposed under this  
12.8 clause must terminate 30 days after the stadium authority determines that sufficient  
12.9 revenues have been received from this tax and other sources to retire or redeem the bonds  
12.10 issued under section 473J.06, subdivision 1, paragraph (b).

12.11 These taxes may be imposed notwithstanding the provisions of section 477A.016.  
12.12 The requirements of section 297A.99, subdivisions 2 and 3, do not apply to any tax  
12.13 imposed under this subdivision.

12.14 Subd. 3. Excess revenues. In any year in which the revenues raised by the taxes  
12.15 imposed under this section exceed the amount necessary for payment of debt service on  
12.16 obligations issued under section 473J.06, subdivision 1, paragraph (b), the Anoka County  
12.17 Board may spend the excess for transportation and public safety projects in the county.

12.18 Sec. 11. [473J.10] STADIUM TAX INCREMENT COMPUTATION.

12.19 (a) The authority may negotiate with the teams for the capture of stadium tax  
12.20 increments as provided in this section.

12.21 (b) For any year during which National Football League games are played in the  
12.22 stadium constructed under this act, the commissioner of revenue shall, by March 1 of the  
12.23 following year, certify the amount of stadium taxes collected in the previous calendar  
12.24 year and the amount by which those taxes are in excess of a baseline tax amount. The  
12.25 amount of stadium taxes that are certified by the commissioner as being in excess of the  
12.26 baseline tax amount must be deposited in a debt service account in the state treasury and is  
12.27 appropriated each year to the authority to pay the principal and interest on revenue bonds  
12.28 issued under section 473J.06, subdivision 1, paragraph (a), for the stadium.

12.29 (c) The stadium taxes are the taxes collected at the stadium district as described in  
12.30 this paragraph. Each year, stadium taxes equal the sum of (1) the withholding taxes due  
12.31 in a calendar year pursuant to section 290.92 by the Minnesota Vikings, (2) the sales tax  
12.32 on ticket sales for admission to professional football-related events at the stadium and  
12.33 sales tax remitted by vendors and concessionaires for sales at professional football-related  
12.34 events occurring at the stadium in a calendar year, and (3) the state general tax imposed  
12.35 under section 275.025, within the stadium district. The baseline tax amount is the amount  
12.36 of stadium taxes as determined in this paragraph for professional football games or related

13.1 events held in the Metrodome in 2004. The sales tax for football-related events occurring  
13.2 at the stadium must be reported in the manner prescribed by the commissioner of revenue.

13.3 (d) The capture of tax increments under this section terminates upon a determination  
13.4 by the authority that sufficient revenues have been raised from all sources authorized  
13.5 under this act to retire or redeem the bonds issued under section 473J.06, subdivision 1,  
13.6 paragraph (a).

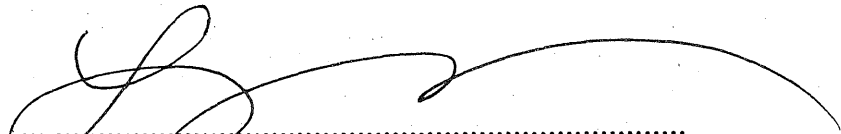
13.7 **Sec. 12. [473J.11] ENVIRONMENTAL REQUIREMENTS.**

13.8 The authority must ensure that environmental requirements imposed by appropriate  
13.9 regulatory agencies for the sports facilities are complied with. The authority must ensure  
13.10 that the stadium receives Leadership in Energy and Environmental Design (LEED)  
13.11 certification for environmental design, and to the extent practicable, that the stadium  
13.12 design is architecturally significant."

13 Amend the title accordingly

13.14 And when so amended the bill do pass and be re-referred to the Committee on  
13.15 Taxes. Amendments adopted. Report adopted.

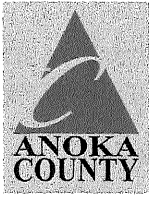
13.16  
13.17

  
.....  
(Committee Chair)

13.18  
13.19

April 5, 2006 .....  
(Date of Committee recommendation)





# ANOKA COUNTY AND THE MINNESOTA VIKINGS



## OVERVIEW

### NORTHERN LIGHTS – MINNESOTA'S SPORTS, RETAIL AND ENTERTAINMENT CENTER

#### What are the details of the proposed project?

- A proposed 68,500-seat retractable roof stadium and associated community development located just off I-35W in Blaine, 15 minutes north of both Minneapolis and St. Paul.
- The stadium will be the anchor of a sports, retail and entertainment center that will feature a unique mix of retail shops, office buildings, private residences, and nature preserves along with a medical center and a hotel.
- \$1 billion in private capital from Vikings' ownership will be invested in this economic development project.
- The cost of the stadium development is projected to be \$675 million for stadium and on-site infrastructure; an additional \$115 million is recommended for off-site infrastructure, such as improvements to I-35W.
- The county and team seek legislation to authorize the local option sales tax and to establish a special taxing district for the project (14 Minnesota communities already have a local option sales tax, and 11 others have the authority for such a tax but have not yet implemented it).
- The proposal asks the state to bond \$115 million to pay for on-site infrastructure and a portion of the retractable roof. Separate of the stadium project, the proposal asks the state to accelerate planned off-site road improvements, such as widening I-35W and improving access to the freeway at a cost of an additional \$115 million, which could also be paid for with project-generated revenues.
- Stadium Financing:
  - \$280 million in private investment from the Minnesota Vikings.
  - \$280 million from Anoka County through a  $\frac{3}{4}$  percent sales tax (75¢ per \$100 purchase).
  - \$115 million in state bonding for on-site infrastructure and a portion of the retractable roof to be paid back by incremental revenues generated by the development (sales tax TIF).

#### How will this project benefit the state of Minnesota?

- Brings in unprecedented private investment, adding thousands of jobs, building the area's infrastructure and contributing millions of dollars to the tax base.
- Has total economic and fiscal impact of approximately \$100 million per year through growth in the property tax base, sales taxes generated within the development and benefits to the state from enhanced economic activity, not including such special events as a Super Bowl and NCAA Final Four tournament.
- Provides local economic impact from the projected millions of visitors each year to Anoka County for Vikings' games and other events.
- Accelerates planned regional roadway projects and provides a revenue source for such projects (revenue that wouldn't be available **but for** this project). Frees up transportation funds for other projects in the state.
- Produces an estimated 4,000 construction jobs and 9,000 permanent, full-time jobs.
- Places Minnesota in the upper echelon of sports tourism destinations in the Midwest and the country.
- Provides Vikings fans and all Minnesotans a world-class, year-round, state-of-the-art facility.

### How does this proposal impact Minnesota taxpayers?

- The state's entire contribution – including the roads the state has already committed to build with transportation funds – is to be paid by new state tax proceeds generated by the project.

### Why should the Minnesota Legislature resolve the Vikings stadium issue in 2006?

- The proposal provides an opportunity for \$1 billion in private investment, which will add thousands of jobs, build the area's infrastructure and contribute millions of dollars to the local tax base.
- The stadium plan is fiscally responsible and finally resolves the Vikings' stadium issue after years of delay.
- This plan meets the Governor's "but for" test for the state portion of financing – that "but for" this development, the state would not receive the tax revenues that can be applied to this project. No state general fund dollars would be used.
- Delaying this project will cost millions in inflationary expenses due to rising interest rates and increasing labor, construction and steel costs.
- Further inaction risks losing the local partners of Blaine and Anoka County and makes any stadium solution immensely more difficult in the future.
- The lack of conclusion on the three stadium proposals (Gophers, Twins, and Vikings) has become a symbol to the public of legislative indecision and inaction. It is time to stop talking and get these deals done.

**Contacts:** Steve Novak (Anoka County) at 763-323-5727 or Lester Bagley (Minnesota Vikings) at 952-918-8350

[www.co.anoka.mn.us](http://www.co.anoka.mn.us) or [www.vikings.com](http://www.vikings.com)



## NORTHERN LIGHTS – MINNESOTA'S SPORTS RETAIL AND ENTERTAINMENT CENTER

# Northern Lights

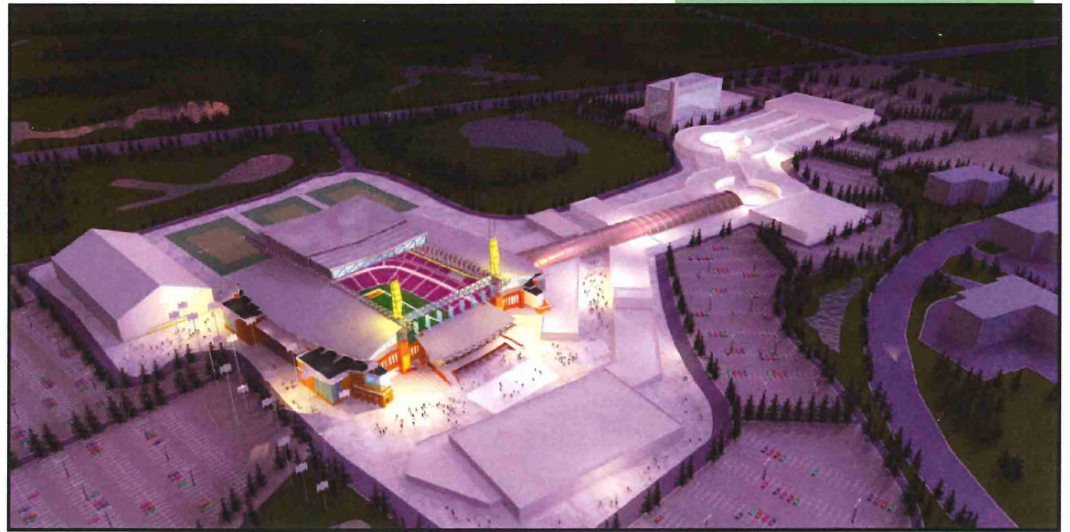
## Minnesota Sports, Retail & Entertainment Center

Anoka County / City of Blaine / Minnesota Vikings



Since January 2004, Anoka County has proposed a more than \$1.5 billion mixed-use development that would include an NFL stadium on the 740-acre site in Blaine along 35W. In June 2005, a developer emerged when real estate developer Zygi Wilf bought the Minnesota Vikings.

Wilf has presented a proposed master plan called "The Minnesota Sports, Retail and Entertainment Center" for a mixed-use private development surrounding an NFL stadium complex. He has called the enclosed retail center leading up to the stadium the "Northern Lights at Blaine."

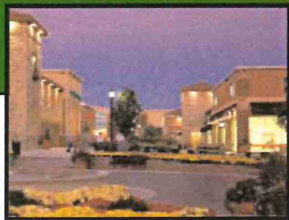


### Located 15 minutes from Minneapolis and St. Paul along I-35W, the development would include...

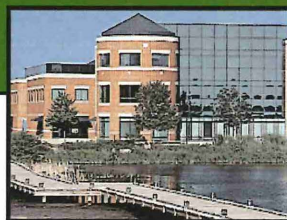
- **A Vikings Stadium and Corporate Complex** - a retractable-roof stadium with 68,500 seats (expandable to 72,000 seats); 24,000 surface parking tailgating areas; Vikings corporate headquarters, training camp facilities; Vikings hall-of-fame.
- **Hotel and Conference Center** - 250 room business-class hotel and meeting rooms.
- **Medical facility** - 50,000 square foot.
- **Northern Lights at Blaine** - destination retail, specialty shops, restaurants, entertainment, and enclosed pedestrian corridor leading to the stadium.
- **Housing, Preserved Wetlands and Trails** - 260 acres of preserved wetlands, trails and residential areas, including a 20,000 square foot interactive wetlands preserve visitor center.
- **Corporate Offices** - 50,000 square feet.



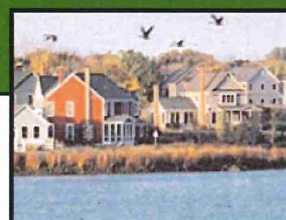
the Stadium



Retail Shops



Corporate Center



Residences



Preserved Wetlands

#### Turn to the next pages for:

**Page 2:** Benefits of the development

**Page 3:** Map of the surrounding area

**Page 4:** Funding & why action is needed now

#### For more information:

[www.AnokaCounty.us/stadium](http://www.AnokaCounty.us/stadium)

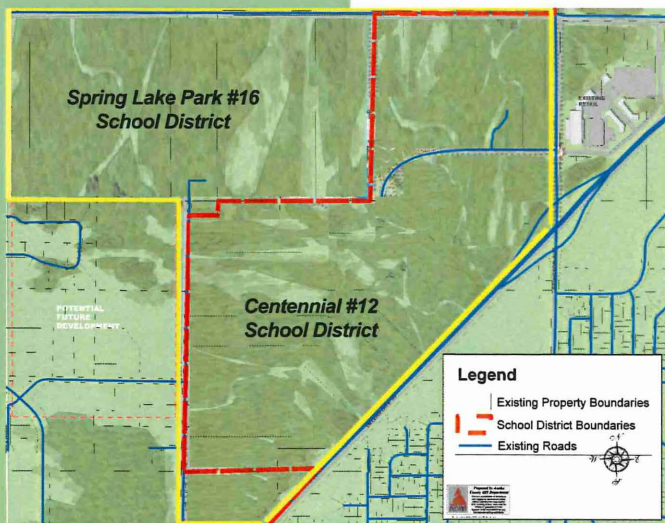
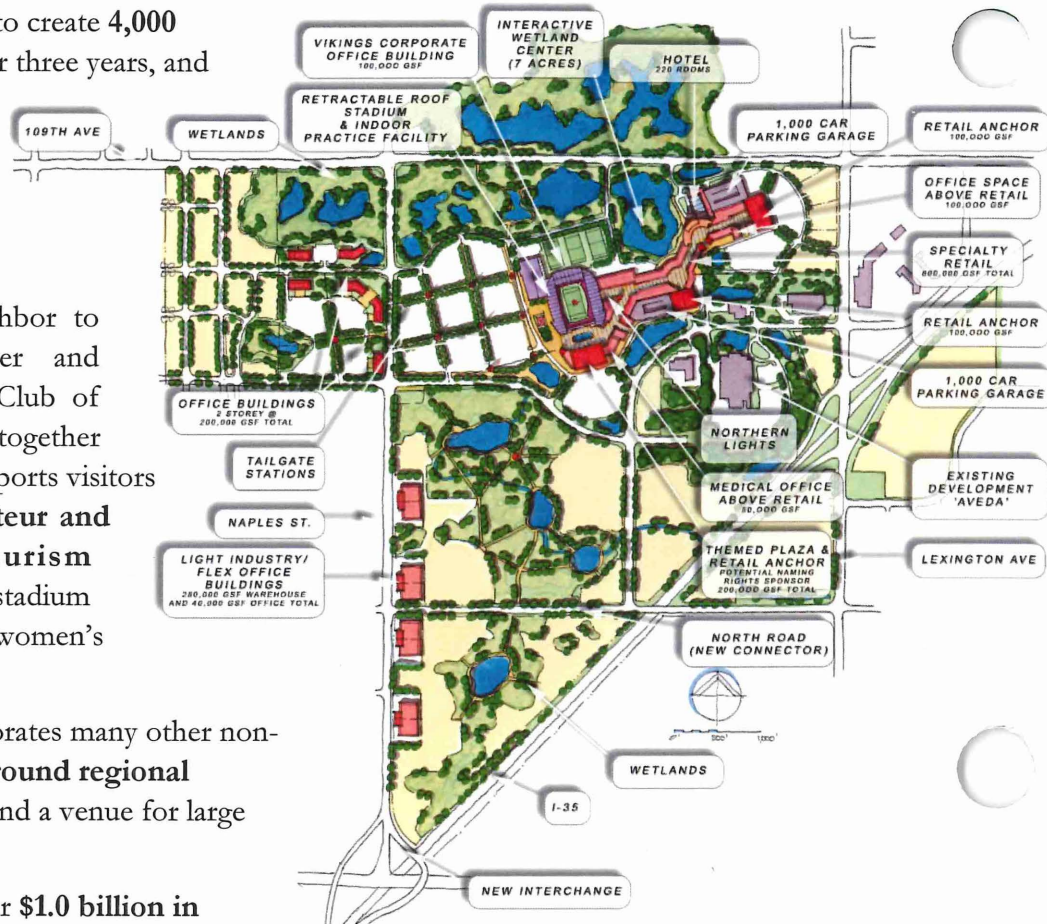
**Steve Novak:** [steve.novak@co.anoka.mn.us](mailto:steve.novak@co.anoka.mn.us)  
763-323-5727

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# Benefits to the County Jobs, Tax Base, and

- The development is expected to create **4,000 construction jobs** per year for three years, and **9,000 permanent jobs** in the areas of corporate, retail, hotel, restaurant, sports-related, and medical-related fields.
- The development, as a neighbor to the National Sports Center and PGA's Tournament Players Club of the Twin Cities, which together already attract over 3 million sports visitors per year, will create an **amateur and professional sports tourism destination**. The proposed stadium could also host men's and women's World Cup soccer.
- The development plan incorporates many other non-football uses to create a **year-round regional entertainment destination**, and a venue for large national events.
- The development includes over **\$1.0 billion in private investment**.



The over \$1.0 billion development will pay property taxes to the county, city, and two school districts.

- The over \$1.0 billion development will pay property taxes to the county, city, and two school districts. This increased revenue will allow the schools, county and city to hold down household and business property taxes, while providing greater flexibility in funding important services. There will be an immediate return from increased property values from the new development, as local property tax TIF is not proposed.
- The project provides for **\$115 million in accelerated road improvements** using state tax dollars generated by the project itself, including interchange upgrades widening a portion of 35W that benefits the region state. While Anoka County is the third fastest growing county in the state, it is currently slated to receive only one interchange in the next 2 decades, and no new roads or widening of existing roads under the state's current funding plan. Tapping the state tax revenue generated from the development itself frees up other state transportation money for other road improvements throughout the state.

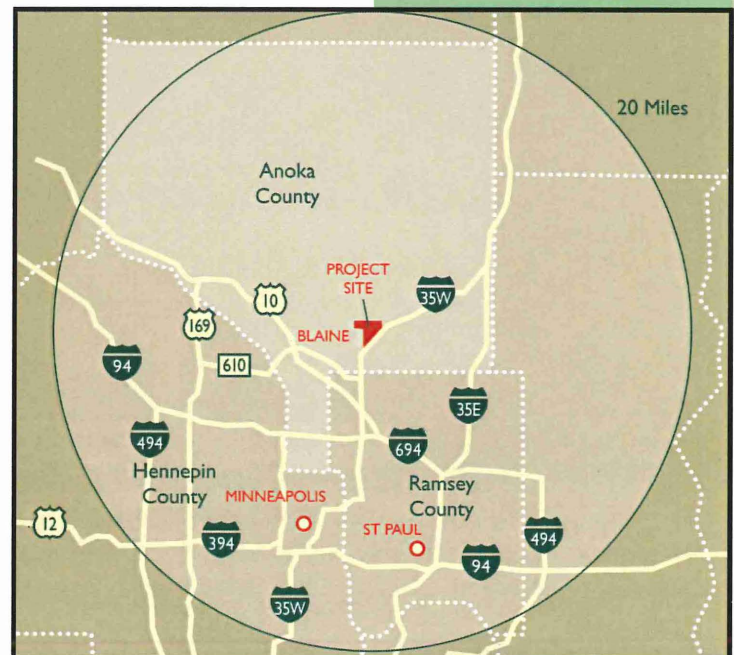
# Community and State: Economic Growth



The development is within a mile of the National Sports Center and TPC of the Twin Cities

- Preliminary estimates indicate that the **total economic and fiscal impact of the development will be nearly \$100 million per year** in the form of property taxes paid by the development, sales taxes generated within the development, and the benefit to the state from enhanced economic activity. These figures do not include the one-time infusions that would come into the state from such special events as a Super Bowl and NCAA Final Four tournament, which would bring in hundreds of millions of out-of-state dollars to Minnesota.
- **Professional football generates direct benefits to the state.** The Vikings each year pay approximately \$10-12 million in property, income, sales and ticket taxes. Over the next three years alone, the Vikings will bring into the state an average of \$89 million/year from NFL revenue sharing, which is primarily TV revenue that would not come into the state otherwise. Since its inception, the Vikings Children Fund has donated \$6.5 million to children's charities in the state, including the University of Minnesota Pediatrics Foundation.

- A 1999 Philadelphia Federal Reserve study determined that **NFL stadiums bring a quality-of-life benefit to communities** (an average \$184/person/year) easily exceeding the public investment provided in all 25 cities that hosted a new or remodeled NFL stadium in the 1990s. In addition, increased property tax revenues exceeded the public contribution in 22 of the 25 cities that provided stadium funding.
- The Federal Reserve researchers point out that if a community loses an NFL team, those communities are consistently willing to invest far more to attract a new NFL team than they would have had to invest to keep the old team, indicating **communities feel the negative impact of losing a team.**
- A 2003 St. Paul Chamber of Commerce study indicates that the Xcel Energy Center (hockey arena built to attract a new NHL team after the loss of the North Stars) provides the equivalent of \$170/year of economic activity per St. Paul household.



The stadium site is located within 15 miles of both downtowns and includes 1.5 miles of frontage on 35W.

## Finance Plan Uses Revenue from the Development

Anoka County and the Minnesota Vikings propose to build a \$675 million retractable roof public stadium facility paid for by:

- \$280 million in private investment from the team owner,
- \$280 million from the county through a ¾ % sales tax (75¢ per \$100 purchase), and
- \$115 million from incremental revenues created by the development, primarily in the form of state sales taxes.

This plan proposes using only those state funds that “but for” this development, would not otherwise exist. No state general fund dollars would be used.

The percentage of public to private investments is similar to the financing of the 24 NFL stadiums built or being built in the last 14 years.

## Plan Provides for Upgrading Highways

In addition, this plan proposes that incremental revenues created by the development would also cover the cost of \$115 million in accelerated road improvements to benefit not only this development, but the entire region. Using revenues from the development for these off-site road improvements would free up state money for other road projects around the state.

## Local Sales Tax is a Commonly-used Funding Source

- Anoka County would need to pay approximately \$18 million per year over the life of the bonds for its \$280 million share of the cost. The proposal recommends that a ¾ % (75¢ per \$100 purchased) county-wide sales tax finance the county portion. (Applies to same base as State Sales Tax on Goods and Services (M.S. Chap. 297A), which does not include automobiles, food, clothing, medicines, among other things.)
- County-wide property taxes are not a part of the plan to pay for the stadium.
- Anoka County is asking for the same local option sales tax commonly used by other Minnesota communities for economic development, including building arenas and convention centers.
- Nearly 1/3 of all state taxable sales are currently subject to a local option sales tax.
- 14 Minnesota communities have a local option sales tax, and 11 others have the authority for such a tax but have not yet implemented it.
- The largest commercial districts surrounding Anoka County already have similar local option sales taxes – Minneapolis, St. Paul and St. Cloud.
- It’s estimated that Anoka County residents would pay an average of \$45 per year for a county-wide ¾ % sales tax (75¢ per \$100 purchase) - based on the assumption that approximately \$18 million would be paid for debt service on county bonds, of which approximately 75% would be from sales to people who live in the county, divided by 320,000 residents. This impact would be offset by the economic return residents will receive from the property taxes collected in the district and the increased economic vitality and opportunity in the community.

## Why the Legislature Needs to Act Now

- This proposal offers the best opportunity for the state to not only keep the Vikings in Minnesota, but also create a professional and amateur sports and tourism destination that serves Minnesota and the entire five state area.
- Each year of delay adds \$25-30 million in inflationary costs alone.

## Referendum

Minnesota relies on a representative government, not referendum, to make decisions. This is not just a local project, but rather a major development with state-wide significance. The Xcel Energy Center, Target Center, Mall of America, Metrodome, and Minneapolis Convention Center all used public money as part or all of their funding, all are significant economic engines for the state, and all were done without referendum.

<u>Team</u>	<u>Year Built / Renovated</u>	<u>Project Cost</u>	<u>% of Public Financing</u>
Atlanta Falcons	1992	\$214 M	100
Baltimore Ravens	1998	\$223 M	100
Oakland Raiders	1996	\$116 M	100
St. Louis Rams	1995	\$280 M	100
Tampa Bay Bucs	1998	\$168.5 M	100
Jacksonville Jaguars	1995	\$161 M	91
Cincinnati Bengals	2000	\$458 M	87
Indianapolis Colts	2008 (construction)	\$625 M	84
Denver Broncos	2001	\$401 M	77
San Diego Chargers	1997	\$78 M	77
Cleveland Browns	1999	\$290 M	73
Houston Texans	2002	\$425 M	73
Tennessee Titans	1999	\$290 M	71
Seattle Seahawks	2002	\$430 M	70
Arizona Cardinals	2006 (construction)	\$355 M	69
<b>AVERAGE</b>	<b>-</b>	<b>-</b>	<b>68</b>
Chicago Bears	2003	\$606 M	66
<b>Minnesota Vikings</b>	<b>proposed</b>	<b>\$675 M</b>	<b>59</b>
Green Bay Packers	2002	\$295 M	57
Pittsburg Steelers	2001	\$281 M	56
Dallas Cowboys	2009 (construction)	\$650 M	50
Philadelphia Eagles	2003	\$512 M	35
Washington Redskins	1997	\$250.5 M	28
Carolina Panthers	1996	\$187 M	27
Detroit Lions	2002	\$500 M	25
New England Patriots	2002	\$325 M	22

**The Anoka County / Minnesota Vikings stadium financing plan comes in below the average on percentage of public funding used.**

\* Data Courtesy of UBS Banking and Financial Services Group

# Minnesota Sports, Retail & Entertainment Center

March 2006

## Plan leverages stadium for statewide development opportunity

Many citizens have contacted the county asking questions, expressing support or opposition to the stadium development project. Here are some key facts about the project:

**The Vikings will not own the stadium.** Neither will team owner Zygi Wilf. The stadium will be owned by the citizens of Anoka County and the state, and operated by a stadium authority, similar to how the Metrodome is operated. The Vikings will play their 10 home games a year there, will pay 41 percent of the cost of construction (\$280 million), will have a long-term lease, and will pay rent.

**It's much more than just a stadium.** The master planned development will include a business class hotel, medical facility, retail, housing, commercial property, and corporate offices. In addition to 4,000 construction jobs expected to last three years, there will be 9,000 permanent jobs. The 740 acre site will be developed as one piece, allowing wetlands to be preserved and incorporated as an enhancement to the overall plan. The project will have to be designed with the oversight and approval of the City of Blaine.

**This is about creating a major regional destination.** The reason Anoka County is involved in this project is to create benefits to the community in the form of thousands of jobs,

**No existing state general fund money will be used.** The breakdown of funding for constructing the stadium is: \$280 million from the team, \$280 million from the countywide 3/4 percent sales tax (75 cents/\$100 purchase), and \$115 million from state sales tax revenue generated by the development itself that wouldn't exist "but for" this project. No existing state general fund money will be used; only new state taxes generated by the development itself will be tapped. The plan also provides that an



The county is leveraging the NFL stadium as the cornerstone for \$1 billion in private development.

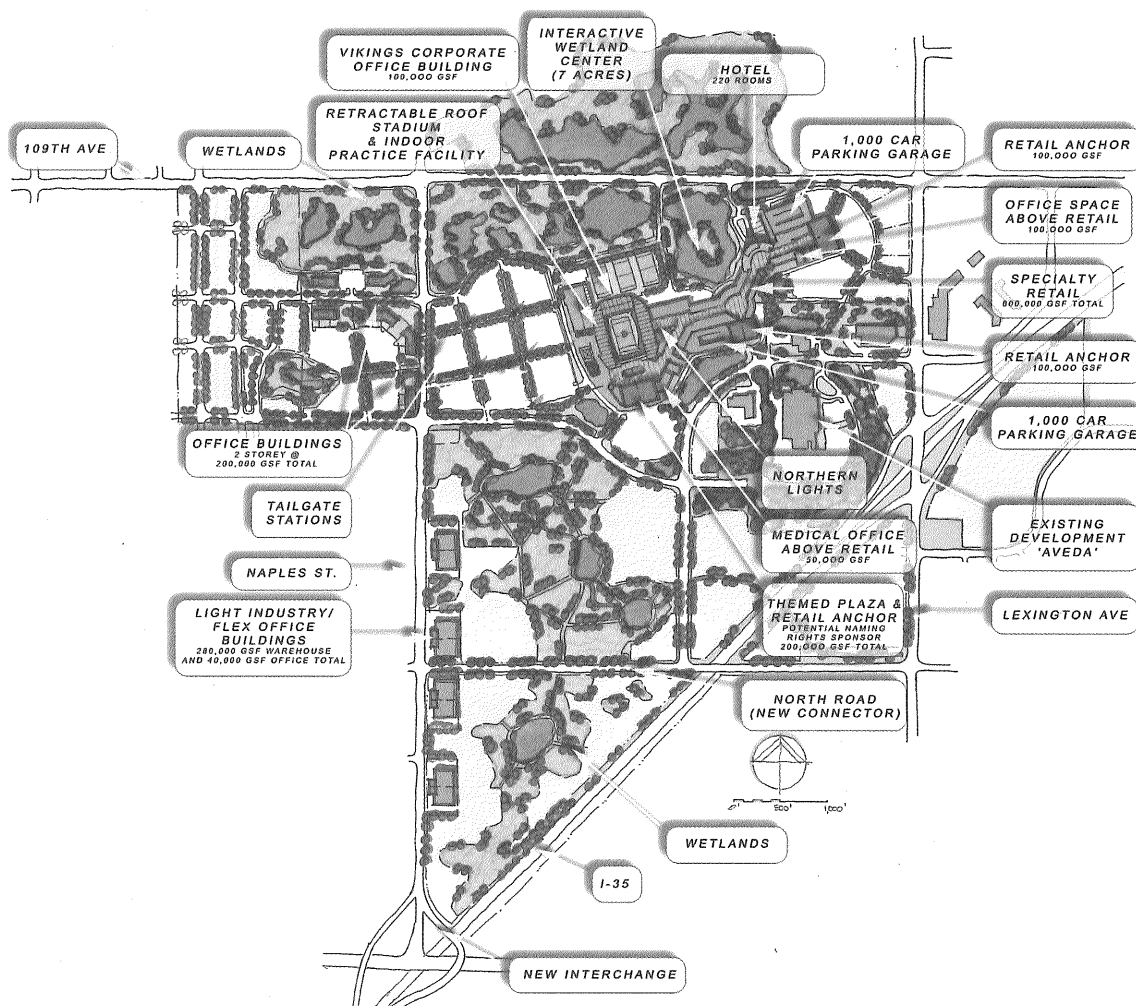
attracting development that will pay property taxes, and helping pay for important services such as road improvements. The project will bring major economic development to the area to help fuel the local economy and the state's economy as well. The county is leveraging the NFL stadium as the cornerstone for over \$1 billion in private development. This project will tie into the existing National Sports Center (NSC) and Tournament Players Club of the Twin Cities, and will balance entertainment activity in the metro area from leaning heavily to the south, to finally including the northern suburbs as an equal participant. The NSC already attracts three million visitors a year. Most NSC visitors come here from outside of Anoka County, with many being from other states and countries.

additional \$115 million in state sales tax revenue generated by the development would pay for accelerated road improvements to benefit, not only this development, but the entire region, such as improving interchanges and widening a portion of 35W. Again, only state revenue generated by the project itself will be used, freeing up existing highway dollars for other projects statewide.

**The county sales tax does not apply to automobiles.** Nor does it apply to food, clothing, or medications. It only applies to those items currently taxed by the state's 6.5 percent sales tax, and would bring the county sales tax to 7.25 percent. An estimated one quarter of sales taxes paid in Anoka County are paid by people who live outside of Anoka County. Local sales taxes, such as the one Anoka County is proposing, are currently used by 14 other Minnesota communities for economic development and construction projects, including building arenas and convention centers.

**Building a statewide asset requires statewide leadership.** State decision-makers will be asking themselves how important it is for Minnesota to continue to be competitive nationally for major events such as NFL football, college basketball Final Four tournaments, the Super Bowl, as well as having an indoor facility to host major conferences, concerts, and amateur sporting events such as high school tournaments. Unless and until the Metrodome is replaced, Minnesota is out of the market for many major events that in the past have brought millions of dollars into the state.

**Anoka County will comply with applicable state law related to a referendum.** The state legislature will decide if the county may implement a sales tax, and whether a referendum will apply or not. The county perspective is that a referendum should not be required. The Anoka County Board of Commissioners annually makes decisions on financing projects, programs, and services. The 2006 total county operating budget is \$225 million, and the county's five-year capital improvements budget is \$260 million. The regional assets of the Mall of America, Target Center, Xcel Energy Center, Metrodome, Minneapolis Convention Center, Science Museum, etc., were all built with public assistance and without referenda. Whether the county participates in the stadium development project should be decided in the same manner - by the people elected to do so.



# Vikings unveil development proposal to City of Blaine

Vikings team owner and project developer Zygi Wilf unveiled his development plans for the Minnesota Sports, Retail and Entertainment Center to the Blaine City Council in February.

The 740-acre development includes retail shops, restaurants, residential housing, space for small businesses, corporate offices, a hotel, a medical facility, and 260 acres of preserved wetlands, all of which will surround a new retractable-roof stadium for Vikings football and other events throughout the year. The project includes \$1 billion in private investment.

"We are extremely excited and optimistic about the potential of this property and this development," said Wilf. "This development ... will bring in millions of visitors each year, add thousands of jobs to the economy, and build the area's infrastructure. This community will have something of which they can be extremely proud."

The development is expected to create 4,000 construction jobs per year for three years, and 9,000 permanent jobs in the areas of corporate, retail, hotel, restaurant, sports-related, and medical-related fields.

Wilf indicated that several key pieces of property are already under contract for purchase, making up the bulk of the development.

Along with Wilf, David Murphy of Crawford Architects presented the team's current master plan and development concepts. "The proposed Minnesota Sports, Retail and Entertainment Center represents the latest trends in mixed-use development," said Murphy. "It is an entertainment destination that will serve as a catalyst for development in Anoka County and Blaine for years to come."

Michael Monahan from the transportation consulting group SRF detailed the project's traffic and infrastructure issues, and indicated that they are working with the city, county, Rice Creek Watershed District, Minnesota Department of Transportation and other agencies to identify and resolve issues.

New state tax revenue generated by the development would pay for accelerated road improvements to benefit not only this project but the entire region – for example, improving interchanges and

**T**his development will provide economic opportunity and thousands of jobs."

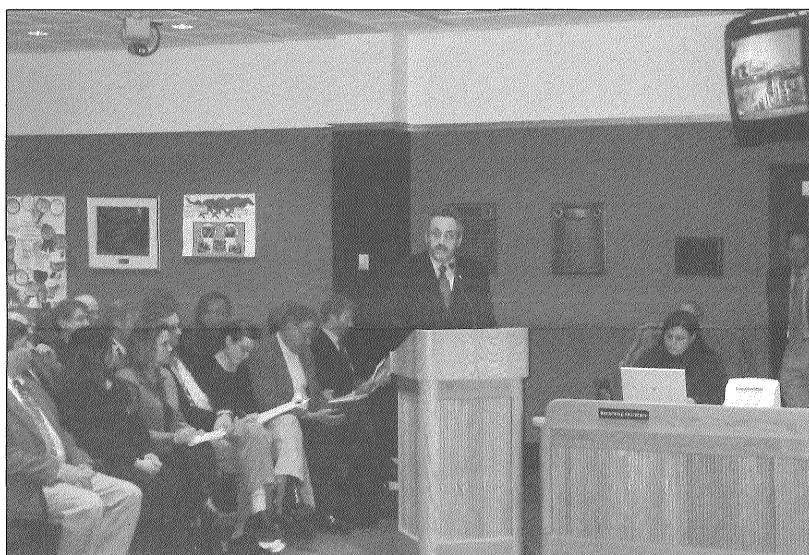
Dan Erhart  
Anoka County Commissioner

improvements would free up state money for other road projects around the state.

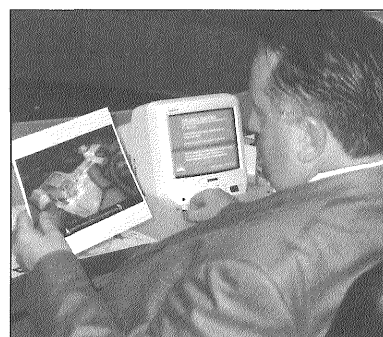
"When we said we were going to build the National Sports Center here, people laughed," said Blaine Mayor Tom Ryan. "Now we have the largest amateur sports facility in the world here in Blaine, with the largest soccer complex, and soon to be the largest ice arena in the world. We're used to taking on big projects that people say can't be done. This can be done, and we owe it to our citizens to make it the best possible development to benefit the community."



The 740-acre site in Blaine will be developed in one piece, allowing wetlands to be preserved.



Vikings Owner Zygi Wilf unveils his development plans before the Blaine City Council in February.



Blaine City Council members review the proposed development plan.

"This development will provide economic opportunity and thousands of jobs," said Anoka County Commissioner Dan Erhart, who chairs the county's Finance and Capital Improvements Committee. "This will change the future outlook of Anoka County and the entire north metro area."

## Project summary:

- 740-acre site, including 260 acres of wetlands, with approximately 480 acres to be developed.
- Retractable-roof NFL stadium with 68,500 seats (expandable to 72,000 seats to accommodate a Super Bowl), 125 suites, 7,500 club seats. Wide concourses, 400 points of sale for food and beverages, 600 toilet fixtures for women and 500 for men, 12-14 elevators.
- New headquarters for the Minnesota Vikings, with administrative offices, training facilities, and indoor practice facilities.
- 800,000 square feet of specialty retail shops, restaurants, and entertainment.
- 200,000 square feet for a destination anchor store.
- Two 100,000 square foot retail anchors.
- "Northern Lights" pedestrian mall.
- 50,000 square foot medical facility.
- 250 room hotel and conference center.
- 20,000 square foot interactive wetlands preserve visitors center.
- 20,000 square feet of exhibits and interactive features at the "Valhalla" Vikings Hall of Fame.
- 340,000 square feet for corporate offices.
- 280,000 square feet for flex-office space.
- Five to seven additional parcels for future development.
- Parking facilities for all project components, include tailgating areas for stadium parking.

For more information about the development proposal, go to [www.MinnesotaMomentum.com](http://www.MinnesotaMomentum.com)

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# MINNESOTA VIKINGS

## PROJECT FACT SHEET

### NORTHERN LIGHTS – MINNESOTA’S SPORTS, RETAIL AND ENTERTAINMENT CENTER

The proposed Northern Lights – Minnesota’s Sports, Retail and Entertainment Center represents the latest trends in mixed-use development. It is an entertainment destination that will serve as a catalyst for development in Anoka County and Blaine for years to come.

The overall site is approximately 740 acres, including 260 acres of wetlands and preserve areas. Approximately 480 acres will be developed to include the following components.

- Retractable-roof NFL Stadium (68,500 seats, 125 suites, 7,500 club seats). The stadium will be expandable to  $\pm 72,000$  seats.
- New headquarters for the Minnesota Vikings. Administrative offices and training facilities are anticipated to be integral with the stadium as shown.
- Specialty retail shops, restaurants and entertainment -  $\pm 800,000$  square feet.
- Destination retail anchor -  $\pm 200,000$  square feet.
- Retail anchors – 2 anchors at  $\pm 100,000$  square feet each.
- Medical facility -  $\pm 50,000$  square feet.
- Hotel and conference center – 250 rooms.
- Interactive wetlands preserve visitors center -  $\pm 20,000$  square feet.
- Public open spaces including the “Northern Lights” feature and the Minnesota Vikings Hall of Fame.
- Multiple pad sites corporate offices -  $\pm 340,000$  square feet of potential future development.
- Multiple pad sites for flex-office and research facilities -  $\pm 280,000$  square feet.
- Out parcel sites for future development – 5 to 7 potential sites.
- Parking facilities for all project components.

Infrastructure improvements are proposed in accordance with the State of Minnesota Department of Transportation long-range plan.

# MINNESOTA VIKINGS

## STADIUM FACT SHEET

### NORTHERN LIGHTS – MINNESOTA’S SPORTS, RETAIL AND ENTERTAINMENT CENTER

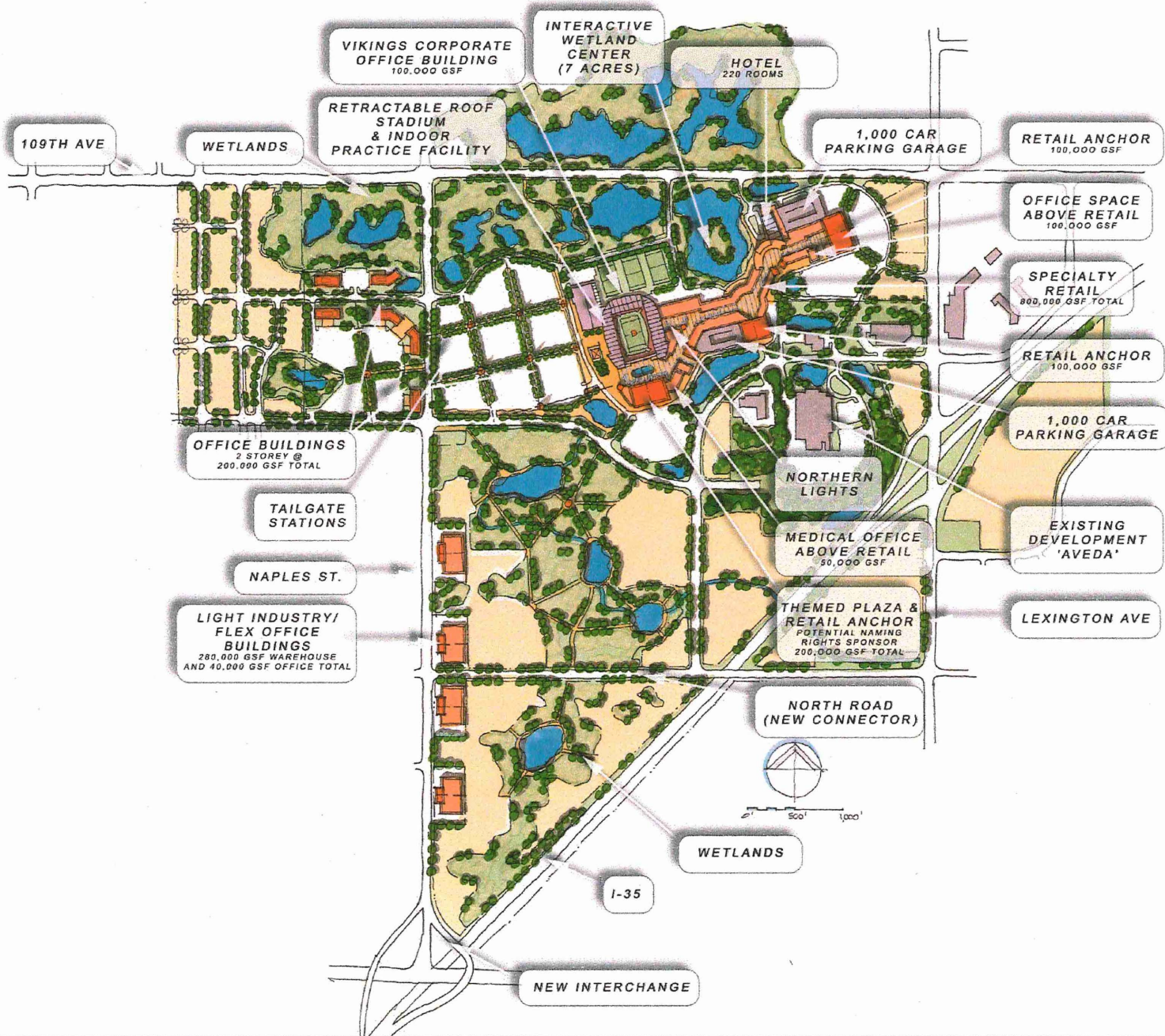
The proposed new Vikings stadium at Northern Lights – Minnesota’s Sports, Retail and Entertainment Center will be one of the finest, state-of-the-art facilities in the NFL. With its dramatic retractable roof, the facility will be able to accommodate 365 event-days a year. It will serve as the region’s home for flat-floor shows and will attract national events such as the Super Bowl and Final Four.

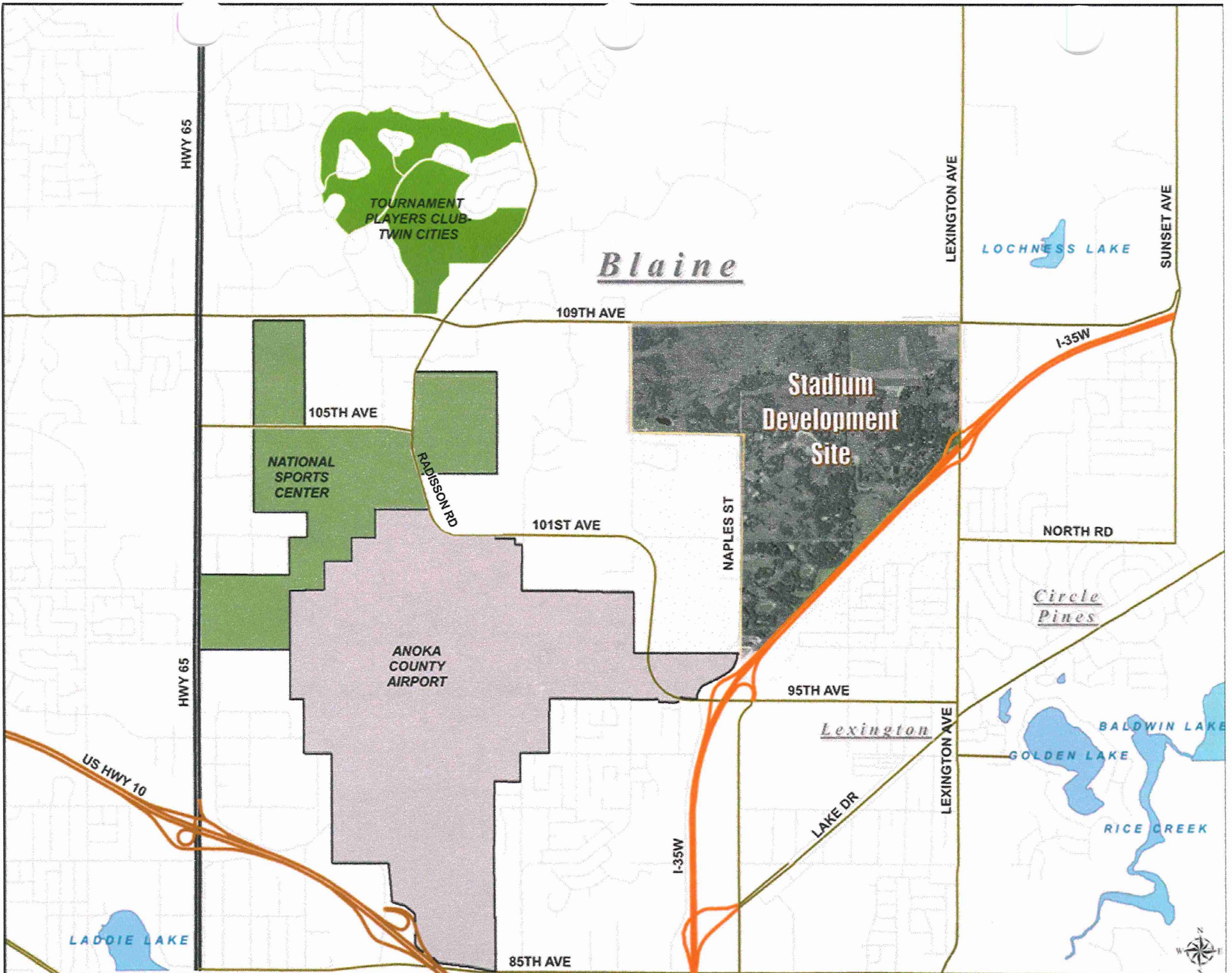
The stadium design is seeking to create an intimate seating bowl on par with the new Qwest Field in Seattle. A daunting home field advantage is envisioned which will celebrate the rich history of the Minnesota Vikings franchise.

The new stadium is vital to the future of the Minnesota Vikings and will include the following components:

- Seating capacity of 68,500 seats, including 125 suites and 7,500 club seats. The stadium will be expandable to  $\pm 72,000$  seats.
- Wider Concourses – ranging from 35 feet to 50 feet wide.
- Nearly 400 points of sale for food and beverage.
- Nearly 600 toilet fixtures for the ladies and approximately 500 toilet fixtures for the men.
- Four (4) family (unisex) toilet facilities shall be provided on each level of the stadium.
- Valhalla, the new Minnesota Vikings Hall of Fame, will be incorporated with the retail center and will include approximately 20,000 square feet of exhibits and interactive features.
- Approximately 4.0 acres of roof area will be provided, including the retractable roof.
- Twelve (12) to 14 elevators are anticipated to improve patron and service access to all levels of the stadium.
- The new headquarters for the Minnesota Vikings will include administrative offices and training facilities ( $\pm 150,000$  square feet) plus an indoor practice facility.

The stadium and its ancillary facilities shall be fully accessible in accordance with the American with Disabilities Act (ADA)





3F 2061

James Hafner

# voices

## Anoka County residents will not like Wilf's idea of a stadium 'contribution'

**MY VIEW**

JAMES HAFNER



One significant aspect of the Anoka County stadium debate has yet to be explored in detail. The Vikings

say they will make a \$280 million "contribution" toward the cost of building the new stadium. It is part of the \$1 billion private investment they are promoting.

Here is an excerpt from the contribution regarding the team contribution: "Team contributions may include, but are not limited to, initial cash contributions, guaranteed annual payments, and assignments of naming rights and permanent seat licenses." That being the case, let's take a hard look at how Zygi Wilf, the owner of the Minnesota Vikings, can entice someone else to make his stadium "contribution" for him. He won't have to spend a dime of his own money or pay any income tax whatsoever and still get full credit for his "contribution."

The Metrodome does not provide the Vikings with an opportunity to sell the stadium naming rights. It is already sold after Hubert H. Hummel. But a new stadium is a different story. Anoka County has already agreed to give the stadium naming rights to Wilf.

Just to give you an idea of what other NFL stadium naming rights are going for, Reliant Energy paid the Houston Tex-

ans \$300 million for the privilege of putting its name on the stadium. That was three years ago. The shared New York Giants and Jets football stadium naming rights will be worth significantly more than that. Isn't Wilf going to "contribute" just \$280 million toward stadium construction?

One example of corporate sponsorships could be the General Mills Wheaties Bowl. The "Breakfast of Champions" might be premature. How about the Hormel Pork Palace? While the title would be fitting, it may not be the type of pork self-respecting pigskin fans want to be associated with.

Wilf and his special corporate partner will hold a big news conference and announce the winner of the naming sweepstakes. Instead of writing a check to Wilf, the corporation will pay the stadium authority and in turn give Wilf credit for making his "contribution." Wilf pays no out-of-pocket cash or any income taxes as a result of the deal.

And it gets worse. Anoka County failed to get a share of the permanent seat licenses. The Carolina Panthers received \$130 million nearly 10 years ago for those rights. For people unfamiliar with this concept, think of a personal seat license as a one-time country club membership. Because most hard-working Anoka County residents aren't country club members, think of a permanent seat license fee as a really expensive Costco mem-

bership. Season ticket holders can expect to pay \$2,000 or more per seat depending upon the location. The better the seat, the more you have to pay. The fans are only paying for the right to buy a ticket. The cost of the ticket is extra.

While not all seats will be licensed, season ticket holders should be prepared to pay a premium for the right to buy a good seat. The Green Bay Packers raised nearly \$120 million through the sale of seat licenses. But don't mention Green Bay. Brown County actually held a referendum for the sales tax increase to fund the Lambeau Field renovation.

The NFL also has a generous stadium loan program. Wilf is upset because his \$95 million low-interest NFL-backed loan might not be enough. He wants nearly \$150 million. This loan will also be part of the private investment amount.

Just wait until Wilf gets all the parking and advertising revenues from his new stadium. Did you know he will be able to project advertising on the inside of the new stadium roof? The Vikings tell us there will be 4 acres of new roof. The state should take this money to pay for the roof and the road improvements.

I almost forgot about luxury suites and club seats. Luxury suite sales over a 10-year lease period will bring in more than \$100 million. The Vikings estimate 7,500 club seats will sell for approximately \$215 each. A 10-game club seat season tick-

et package would cost \$2,150. Multiply that by 7,500 seats and you come up with more than \$16 million a year. And don't even ask about the hundreds of millions of dollars in property development rights our economically handicapped county commissioners completely overlooked. Other stadium revenue opportunities include exclusive beverage pouring rights, food exclusives and concessions.

The reason Wilf is so eager to get a new stadium is simple. He gets very little of this revenue under his Metrodome agreement. He wants to control every bit of revenue and profits from a new stadium. Sharing a stadium means sharing revenue.

Using approximate totals from the revenues detailed above, Wilf can nearly cover the full \$1 billion private investment without opening his wallet.

Our trusted Anoka County commissioners clearly don't understand how to negotiate a business deal. The hard-working taxpayers of Anoka County would be happy to show them how it's done. Put this stadium proposal on the ballot this fall, and you will see Wilf cough up enough of his pork-laden profits to eliminate the proposed countywide sales tax completely! This stadium deal isn't so complicated after all. Just follow the money.

James Hafner of Coon Rapids is a financial analyst.

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