

1 A bill for an act.

2 relating to a University of Minnesota football
3 stadium; providing a process for state support of a
4 football stadium at the University of Minnesota;
5 appropriating money; amending Minnesota Statutes 2004,
6 sections 297A.71, by adding a subdivision; 340A.404,
7 subdivision 4a; proposing coding for new law in
8 Minnesota Statutes, chapter 473.

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

10 Section 1. [PURPOSE; FINDINGS.]

11 The legislature finds that construction of a new football
12 stadium by the Board of Regents of the University of Minnesota
13 on the University's east bank campus in the city of Minneapolis
14 serves statewide public purposes. The legislature finds that
15 the public purposes served include, but are not limited to,
16 providing an on-campus outdoor intercollegiate football stadium
17 as a part of the public amenities for Minnesota's citizens,
18 enhancing the enjoyment of its citizens, and enhancing the
19 University experience for students, alumni, faculty, staff, and
20 other supporters of the University. The legislature finds that
21 the University intends to join together with its students,
22 alumni, faculty, staff, and other supporters to raise funds to
23 build a stadium to return college football to the University
24 campus. Further, the legislature finds that construction of a
25 University of Minnesota football stadium should be supported by
26 the state and that the support should not detract from or be a
27 substitute for other operating and capital support by the state

1 for the University; however, state financial support for the
2 stadium should be conditioned upon the University providing for
3 payment of a significant portion of the stadium's cost from
4 nonstate general revenue fund sources. The purpose of this act
5 is to provide a firm 40 percent level of funding for a new
6 University football stadium to be constructed and owned by the
7 Regents of the University of Minnesota.

8 Sec. 2. [DEFINITIONS.]

9 Subdivision 1. [APPLICABILITY.] The definitions in this
10 section apply to sections 2 to 7.

11 Subd. 2. [COMMISSIONER.] "Commissioner" means the
12 commissioner of finance.

13 Subd. 3. [STADIUM.] "Stadium" means an athletic stadium
14 suitable for intercollegiate National Collegiate Athletic
15 Association (NCAA) Division I football games and related
16 infrastructure improvements constructed on the University of
17 Minnesota's east bank campus in the city of Minneapolis.

18 Subd. 4. [BOARD.] "Board" means the regents of the
19 University of Minnesota.

20 Subd. 5. [COMMISSION.] "Commission" means the Metropolitan
21 Sports Facilities Commission.

22 Sec. 3. [ACTIVITIES; CONTRACTS.]

23 The legislature recognizes that the board has all powers
24 necessary or convenient for designing, constructing, equipping,
25 improving, controlling, operating, and maintaining the stadium
26 and may enter into contracts that are in its judgment in the
27 best interests of the public for those purposes.
28 Notwithstanding contrary law, the board may adopt the fair and
29 competitive design and construction procurement procedures in
30 connection with the stadium that it considers to be in the
31 public interest. The board must ensure to the greatest extent
32 practicable, that materials derived from American made steel are
33 used in the construction of the stadium. Minnesota Statutes,
34 sections 16B.33 and 16B.335, do not apply to the stadium.

35 Sec. 4. [ENVIRONMENTAL REVIEW.]

36 The legislature requests that the board complete an

1 environmental review of the stadium project and perform the
2 duties of the responsible governmental unit as prescribed in the
3 Minnesota Environmental Policy Act, Minnesota Statutes, chapter
4 116D, and the rules adopted under that chapter. The legislature
5 ratifies the Environmental Quality Board's designation of the
6 board as responsible governmental unit.

7 Sec. 5. [CONDITIONS FOR PAYMENT TO THE UNIVERSITY.]

8 Before the commissioner may make the first payment to the
9 board authorized in this section the commissioner must certify
10 that the board has received at least \$141,000,000 in pledges,
11 gifts, sponsorships and other nonstate general fund revenue
12 support for the construction of the stadium. On July 1 of each
13 year after certification by the commissioner, but no earlier
14 than July 1, 2007, and for so long thereafter as any bonds
15 issued by the board for the construction of the stadium are
16 outstanding, the state must transfer to the board \$7,000,000 to
17 reimburse the board for its stadium costs, provided that bonds
18 issued to pay the state's share of such costs shall not exceed
19 \$94,000,000. \$7,000,000 is appropriated annually from the
20 general fund for the purpose of this section. Except to the
21 extent of the annual appropriation described in this section,
22 the state is not required to pay any part of the cost of
23 designing or constructing the stadium. The board must also
24 certify to the commissioner that a provision for affordable
25 access for University students to the University sporting events
26 held at the football stadium has been made.

27 Sec. 6. [NO FULL FAITH AND CREDIT.]

28 Any bonds or other obligations issued by the board under
29 this act are not public debt of the state, and the full faith
30 and credit and taxing powers of the state are not pledged for
31 their payment, or of any payments that the state agrees to make
32 under this act.

33 Sec. 7. Minnesota Statutes 2004, section 297A.71, is
34 amended by adding a subdivision to read:

35 Subd. 33. [CONSTRUCTION MATERIALS; UNIVERSITY OF MINNESOTA
36 FOOTBALL STADIUM.] Materials, supplies, or equipment used or

1 consumed in connection with the construction, equipping, or
2 improvement of a football stadium constructed for use by the
3 University of Minnesota are exempt. This subdivision expires
4 one year after substantial completion of the football stadium.

5 Sec. 8. Minnesota Statutes 2004, section 340A.404,
6 subdivision 4a, is amended to read:

7 Subd. 4a. [STATE-OWNED RECREATION; ENTERTAINMENT
8 FACILITIES.] Notwithstanding any other law, local ordinance, or
9 charter provision, the commissioner may issue on-sale
10 intoxicating liquor licenses:

11 (1) to the state agency administratively responsible for,
12 or to an entity holding a concession or facility management
13 contract with such agency for beverage sales at, the premises of
14 any Giants Ridge Recreation Area building or recreational
15 improvement area owned by the state in the town of White, St.
16 Louis County;

17 (2) to the state agency administratively responsible for,
18 or to an entity holding a concession or facility management
19 contract with such agency for beverage sales at, the premises of
20 any Ironworld Discovery Center building or facility owned by the
21 state at Chisholm; and

22 (3) to the Board of Regents of the University of Minnesota
23 for events at Northrop Auditorium and spectator suites and clubs
24 in any intercollegiate football stadium constructed by the
25 University on its Minneapolis campus.

26 The commissioner shall charge a fee for licenses issued
27 under this subdivision in an amount comparable to the fee for
28 comparable licenses issued in surrounding cities.

29 Sec. 9. [473.5955] [TERMINATION OF LEASE.]

30 The lease between the Regents of the University of
31 Minnesota and the commission dated May 19, 1982, that requires
32 the University of Minnesota football team to play its home
33 football games at the Hubert H. Humphrey Metrodome until July 1,
34 2012, may be terminated by the board effective on or after the
35 date designated by the board as the date of completion of the
36 stadium on the University of Minnesota's east bank campus in the

1 city of Minneapolis.

2 Sec. 10. [EFFECTIVE DATE.]

3 Sections 1 to 9 are effective the day following final

4 enactment.

A bill for an act

relating to a University of Minnesota football stadium; providing a process for state support of a football stadium at the University of Minnesota; appropriating money; amending Minnesota Statutes 2004, sections 297A.71, by adding a subdivision; 340A.404, subdivision 4a; proposing coding for new law in Minnesota Statutes, chapter 473.

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

Section 1. **PURPOSE; FINDINGS.**

The legislature finds that construction of a new football stadium by the Board of Regents of the University of Minnesota on the University's east bank campus in the city of Minneapolis serves statewide public purposes. The legislature finds that the public purposes served include, but are not limited to, providing an on-campus outdoor intercollegiate football stadium as a part of the public amenities for Minnesota's citizens, enhancing the enjoyment of its citizens, and enhancing the University experience for students, alumni, faculty, staff, and other supporters of the University. The legislature finds that the University intends to join together with its students, alumni, faculty, staff, and other supporters to raise funds to build a stadium to return college football to the University campus. Further, the legislature finds that construction of a University of Minnesota football stadium should be supported by the state and that the support should not detract from or be a substitute for other operating and capital support by the state for the University; however, state financial support for the stadium should be conditioned upon the University providing for payment of a significant portion of the stadium's cost from nonstate general revenue fund sources. The purpose of this act is to provide a firm 50 percent level of funding for a new University football stadium to be constructed and owned by the Regents of the University of Minnesota.

2.1 Sec. 2. **DEFINITIONS.**

2.2 Subdivision 1. **Applicability.** The definitions in this section apply to sections 2 to 8.

2.3 Subd. 2. **Commissioner.** "Commissioner" means the commissioner of finance.

2.4 Subd. 3. **Stadium.** "Stadium" means an athletic stadium suitable for intercollegiate
 2.5 National Collegiate Athletic Association (NCAA) Division I football games and related
 2.6 infrastructure improvements constructed on the University of Minnesota's east bank
 2.7 campus in the city of Minneapolis.

2.8 Subd. 4. **Board.** "Board" means the regents of the University of Minnesota.

2.9 Subd. 5. **Commission.** "Commission" means the Metropolitan Sports Facilities
 2.10 Commission.

2.11 Subd. 6. **University land.** "University land" means approximately 2,840 acres
 2.12 owned by the University of Minnesota and lying within the area legally described as
 2.13 approximately the Southerly 3/4 of the Southwest 1/4 of Section 1 (comprising 120 acres),
 2.14 approximately the Southeast 1/4 of Section 2 (comprising 160 acres), the East 1/2 of
 2.15 Section 10, Section 11, the West 1/2 of Section 12, Section 13 and Section 14, all in Twp.
 2.16 114 North, Range 19 West, Dakota County, Minnesota.

2.17 Subd. 7. **Permitted university uses.** "Permitted university uses" means university
 2.18 educational, research, outreach, scientific, and agricultural uses, including, undiminished,
 2.19 all of the present uses of the university land, all of the present uses of university real
 2.20 property that adjoins the university land, all similar uses made of comparable property by
 2.21 other land grant universities, any uses related to the uses described in this subdivision,
 2.22 and the making of improvements incidental to those uses.

2.23 Subd. 8. **Other permitted uses.** "Other permitted uses" means agricultural, outdoor
 2.24 recreational and open space management uses, and the making of improvements incidental
 2.25 to those uses, provided the improvements have been agreed to in writing by the university
 2.26 and the commissioner of natural resources.

2.27 Subd. 9. **Prohibited uses.** "Prohibited uses" means use of the university land for
 2.28 residential, commercial, or industrial uses, unless those uses are permitted by this act,
 2.29 or are presently being conducted under existing university leases, easements, or use
 2.30 agreements, or are utility uses within defined corridors.

2.31 Sec. 3. **ACTIVITIES; CONTRACTS.**

2.32 The legislature recognizes that the board has all powers necessary or convenient for
 2.33 designing, constructing, equipping, improving, controlling, operating, and maintaining the
 2.34 stadium and may enter into contracts that are in its judgment in the best interests of the
 2.35 public for those purposes. Notwithstanding contrary law, the board may adopt the fair

3.1 and competitive design and construction procurement procedures in connection with
3.2 the stadium that it considers to be in the public interest. The board must ensure to the
3.3 greatest extent practicable, that materials derived from American made steel are used in
3.4 the construction of the stadium. Minnesota Statutes, sections 16B.33 and 16B.335, do
3.5 not apply to the stadium.

3.6 **Sec. 4. ENVIRONMENTAL REVIEW.**

3.7 The legislature requests that the board complete an environmental review of the
3.8 stadium project and perform the duties of the responsible governmental unit as prescribed
3.9 in the Minnesota Environmental Policy Act, Minnesota Statutes, chapter 116D, and the
3.10 rules adopted under that chapter. The legislature ratifies the Environmental Quality
3.11 Board's designation of the board as responsible governmental unit.

3.12 **Sec. 5. CONDITIONS FOR PAYMENT TO THE UNIVERSITY.**

3.13 Before the commissioner may make the first payment to the board authorized in this
3.14 section the commissioner must certify that the board has received at least \$124,000,000
3.15 in pledges, gifts, sponsorships and other nonstate general fund revenue support for the
3.16 construction of the stadium. On July 1 of each year after certification by the commissioner,
3.17 but no earlier than July 1, 2007, and for so long thereafter as any bonds issued by the board
3.18 for the construction of the stadium are outstanding, the state must transfer to the board up
3.19 to \$9,400,000 to reimburse the board for its stadium costs, provided that bonds issued to
3.20 pay the state's share of such costs shall not exceed \$124,000,000. Up to \$9,400,000 is
3.21 appropriated annually from the general fund for the purpose of this section. The board
3.22 must certify to the commissioner the amount of the annual payments of principal and
3.23 interest required to service bonds issued by the university for the construction of the
3.24 stadium, and the actual amount of the state's annual payment to the university shall equal
3.25 the amount required to service the bonds representing the state's share of such costs.
3.26 Except to the extent of the annual appropriation described in this section, the state is not
3.27 required to pay any part of the cost of designing or constructing the stadium. The board
3.28 must also certify to the commissioner that a provision for affordable access for University
3.29 students to the University sporting events held at the football stadium has been made.

3.30 **Sec. 6. LAND PROTECTION AND TRANSFER.**

1 Subdivision 1. **Land protection.** The obligation of the state of Minnesota to make
3.32 the payments required under section 5 is expressly conditioned upon the university's
3.33 covenant in perpetuity, subject to subdivision 3, limiting the use of the university land to

4.1 the permitted university uses and the other permitted uses and proscribing the use of the
4.2 university land for any of the prohibited uses. A declaration imposing those restrictions
4.3 and granting to the Department of Natural Resources the right to enforce the same, which
4.4 has been executed by the university and filed in the office of the Dakota County recorder
4.5 shall satisfy this condition. In furtherance of the purposes of this subdivision, the university
4.6 and the Department of Natural Resources shall promptly endeavor to enter into a joint
4.7 powers agreement under Minnesota Statutes, section 471.59, or a conservation easement
4.8 held by a qualified conservation organization or by a conservation easement holder as
4.9 described in applicable Minnesota law embodying the restrictions, which agreement or
4.10 easement shall provide for cooperative oversight of the use of the university land. Nothing
4.11 in this subdivision or in any declaration, agreement, or easement made or entered into
4.12 pursuant to this subdivision shall impair the rights of third parties under presently existing
4.13 leases, easements, or use agreements. Except as limited in any declaration, agreement or
4.14 conservation easement made, entered into, or granted as provided in this subdivision, the
4.15 rights of the university with respect to the university land are not affected by this section.

4.16 Subd. 2. **Land transfer.** No later than the date on which the state of Minnesota
4.17 makes the last of the payments required under section 5, the Board of Regents of the
4.18 University of Minnesota shall offer to convey the university land to the state of Minnesota
4.19 in its "as is" condition by quit claim for the sum of \$1. Upon agreement of the university
4.20 and the state, all or part of the university land may be transferred to another governmental
4.21 unit of the state. Any conveyance shall be subject to the perpetual right of the university
4.22 to use the university land for the permitted university uses and to the rights of third
4.23 parties under presently existing leases, easements, and use agreements. The instruments
4.24 of transfer shall otherwise limit the use of the university land to the other permitted uses
4.25 and subject those uses to restrictions as may be provided in any agreement between the
4.26 university and the state or any conservation easement granted pursuant to subdivision 1, as
4.27 applicable and proscribe its use for the prohibited purposes. The University of Minnesota
4.28 shall have the right to enforce those limitations and restrictions. The quit claim deed shall
4.29 provide that the state will assume full responsibility for, and will indemnify, defend, and
4.30 hold the university harmless with respect to any environmental contamination or pollution
4.31 resulting from hazardous substances, pollutants, or contaminants that were discharged,
4.32 disposed of, deposited, or otherwise came to be located on or adjacent to the university
4.33 land prior to August 1, 1947.

4.34 Subd. 3. **Termination of use restrictions.** In the event the state of Minnesota
4.35 fails to make any payment required by section 5, the restrictions in this section on
4.36 the university's use of the university land, any declaration, agreement, or conservation

5.1 easement containing those restrictions, and the university's obligation to offer the
5.2 university land to the state of Minnesota shall be null and void.

5.3 **Sec. 6. NO FULL FAITH AND CREDIT.**

5.4 Any bonds or other obligations issued by the board under this act are not public debt
5.5 of the state, and the full faith and credit and taxing powers of the state are not pledged for
5.6 their payment, or of any payments that the state agrees to make under this act.

5.7 Sec. 7. Minnesota Statutes 2004, section 297A.71, is amended by adding a subdivision
5.8 to read:

5.9 **Subd. 33. Construction materials; University of Minnesota football stadium.**
5.10 Materials, supplies, or equipment used or consumed in connection with the construction,
5.11 equipping, or improvement of a football stadium constructed for use by the University
5.12 of Minnesota are exempt. This subdivision expires one year after substantial completion
5.13 of the football stadium.

5.14 Sec. 8. Minnesota Statutes 2004, section 340A.404, subdivision 4a, is amended to read:

5.15 **Subd. 4a. State-owned recreation; entertainment facilities.** Notwithstanding any
5.16 other law, local ordinance, or charter provision, the commissioner may issue on-sale
5.17 intoxicating liquor licenses:

5.18 (1) to the state agency administratively responsible for, or to an entity holding a
5.19 concession or facility management contract with such agency for beverage sales at, the
5.20 premises of any Giants Ridge Recreation Area building or recreational improvement area
5.21 owned by the state in the town of White, St. Louis County;

5.22 (2) to the state agency administratively responsible for, or to an entity holding a
5.23 concession or facility management contract with such agency for beverage sales at, the
5.24 premises of any Ironworld Discovery Center building or facility owned by the state at
5.25 Chisholm; and

5.26 (3) to the Board of Regents of the University of Minnesota for events at Northrop
5.27 Auditorium and spectator suites and clubs in any intercollegiate football stadium
5.28 constructed by the University on its Minneapolis campus.

5.29 The commissioner shall charge a fee for licenses issued under this subdivision in an
5.30 amount comparable to the fee for comparable licenses issued in surrounding cities.

5.31 **Sec. 9. [473.5955] TERMINATION OF LEASE.**

6.1 The lease between the Regents of the University of Minnesota and the commission
6.2 dated May 19, 1982, that requires the University of Minnesota football team to play its
6.3 home football games at the Hubert H. Humphrey Metrodome until July 1, 2012, may
6.4 be terminated by the board effective on or after the date designated by the board as the
6.5 date of completion of the stadium on the University of Minnesota's east bank campus in
6.6 the city of Minneapolis.

6.7 **Sec. 10. EFFECTIVE DATE.**

6.8 Sections 1 to 10 are effective the day following final enactment.

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1.8 " Section 1. **PURPOSE; FINDINGS.**

1.9 The legislature finds that construction of a new football stadium by the Board of
1.10 Regents of the University of Minnesota on the University's east bank campus in the
1.11 city of Minneapolis serves statewide public purposes. The legislature finds that the
1.12 public purposes served include, but are not limited to, providing an on-campus outdoor
1.13 intercollegiate football stadium as a part of the public amenities for Minnesota's citizens,
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1.15 students, alumni, faculty, staff, and other supporters of the University. The legislature
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1.17 and other supporters to raise funds to build a stadium to return college football to the
1.18 University campus. Further, the legislature finds that construction of a University of
1.19 Minnesota football stadium should be supported by the state and that the support should
1.20 not detract from or be a substitute for other operating and capital support by the state for
1.21 the University; however, state financial support for the stadium should be conditioned
1.22 upon the University providing for payment of a significant portion of the stadium's cost
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1.24 50 percent level of funding for a new University football stadium to be constructed and
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2.15 Section 10, Section 11, the West 1/2 of Section 12, Section 13 and Section 14, all in Twp.
2.16 114 North, Range 19 West, Dakota County, Minnesota.

2.17 Subd. 7. **Permitted university uses.** "Permitted university uses" means university
2.18 educational, research, outreach, scientific, and agricultural uses, including, undiminished,

2.19 all of the present uses of the university land, all of the present uses of university real
2.20 property that adjoins the university land, all similar uses made of comparable property by
2.21 other land grant universities, any uses related to the uses described in this subdivision,
2.22 and the making of improvements incidental to those uses.

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2.29 or are presently being conducted under existing university leases, easements, or use
2.30 agreements, or are utility uses within defined corridors.

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2.32 The legislature recognizes that the board has all powers necessary or convenient for
2.33 designing, constructing, equipping, improving, controlling, operating, and maintaining the
2.34 stadium and may enter into contracts that are in its judgment in the best interests of the
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3.4 the construction of the stadium. Minnesota Statutes, sections 16B.33 and 16B.335, do
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3.8 stadium project and perform the duties of the responsible governmental unit as prescribed
3.9 in the Minnesota Environmental Policy Act, Minnesota Statutes, chapter 116D, and the
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3.11 Board's designation of the board as responsible governmental unit.

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3.16 construction of the stadium. On July 1 of each year after certification by the commissioner,
3.17 but no earlier than July 1, 2007, and for so long thereafter as any bonds issued by the board
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3.19 to \$9,400,000 to reimburse the board for its stadium costs, provided that bonds issued to
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3.23 interest required to service bonds issued by the university for the construction of the
3.24 stadium, and the actual amount of the state's annual payment to the university shall equal
3.25 the amount required to service the bonds representing the state's share of such costs.
3.26 Except to the extent of the annual appropriation described in this section, the state is not
3.27 required to pay any part of the cost of designing or constructing the stadium. The board
3.28 must also certify to the commissioner that a provision for affordable access for University
3.29 students to the University sporting events held at the football stadium has been made.

3.30 **Sec. 6. LAND PROTECTION AND TRANSFER.**

3.31 **Subdivision 1. Land protection.** The obligation of the state of Minnesota to make
3.32 the payments required under section 5 is expressly conditioned upon the university's
3.33 covenant in perpetuity, subject to subdivision 3, limiting the use of the university land to
4.1 the permitted university uses and the other permitted uses and proscribing the use of the
4.2 university land for any of the prohibited uses. A declaration imposing those restrictions
4.3 and granting to the Department of Natural Resources the right to enforce the same, which
4.4 has been executed by the university and filed in the office of the Dakota County recorder
4.5 shall satisfy this condition. In furtherance of the purposes of this subdivision, the university
4.6 and the Department of Natural Resources shall promptly endeavor to enter into a joint
4.7 powers agreement under Minnesota Statutes, section 471.59, or a conservation easement
4.8 held by a qualified conservation organization or by a conservation easement holder as
4.9 described in applicable Minnesota law embodying the restrictions, which agreement or
4.10 easement shall provide for cooperative oversight of the use of the university land. Nothing
4.11 in this subdivision or in any declaration, agreement, or easement made or entered into
4.12 pursuant to this subdivision shall impair the rights of third parties under presently existing
4.13 leases, easements, or use agreements. Except as limited in any declaration, agreement or
4.14 conservation easement made, entered into, or granted as provided in this subdivision, the
4.15 rights of the university with respect to the university land are not affected by this section.
4.16 **Subd. 2. Land transfer.** No later than the date on which the state of Minnesota
4.17 makes the last of the payments required under section 5, the Board of Regents of the
4.18 University of Minnesota shall offer to convey the university land to the state of Minnesota
4.19 in its "as is" condition by quit claim for the sum of \$1. Upon agreement of the university
4.20 and the state, all or part of the university land may be transferred to another governmental
4.21 unit of the state. Any conveyance shall be subject to the perpetual right of the university
4.22 to use the university land for the permitted university uses and to the rights of third

4.23 parties under presently existing leases, easements, and use agreements. The instruments
4.24 of transfer shall otherwise limit the use of the university land to the other permitted uses
4.25 and subject those uses to restrictions as may be provided in any agreement between the
4.26 university and the state or any conservation easement granted pursuant to subdivision 1, as
4.27 applicable and proscribe its use for the prohibited purposes. The University of Minnesota
4.28 shall have the right to enforce those limitations and restrictions. The quit claim deed shall
4.29 provide that the state will assume full responsibility for, and will indemnify, defend, and
4.30 hold the university harmless with respect to any environmental contamination or pollution
4.31 resulting from hazardous substances, pollutants, or contaminants that were discharged,
4.32 disposed of, deposited, or otherwise came to be located on or adjacent to the university
4.33 land prior to August 1, 1947.

4.34 Subd. 3. **Termination of use restrictions.** In the event the state of Minnesota
4.35 fails to make any payment required by section 5, the restrictions in this section on
4.36 the university's use of the university land, any declaration, agreement, or conservation
5.1 easement containing those restrictions, and the university's obligation to offer the
5.2 university land to the state of Minnesota shall be null and void.

5.3 **Sec. 6. NO FULL FAITH AND CREDIT.**

5.4 Any bonds or other obligations issued by the board under this act are not public debt
5.5 of the state, and the full faith and credit and taxing powers of the state are not pledged for
5.6 their payment, or of any payments that the state agrees to make under this act.

5.7 **Sec. 7.** Minnesota Statutes 2004, section 297A.71, is amended by adding a subdivision
5.8 to read:

5.9 Subd. 33. **Construction materials; University of Minnesota football stadium.**
5.10 Materials, supplies, or equipment used or consumed in connection with the construction,
5.11 equipping, or improvement of a football stadium constructed for use by the University
5.12 of Minnesota are exempt. This subdivision expires one year after substantial completion
5.13 of the football stadium.

5.14 **Sec. 8.** Minnesota Statutes 2004, section 340A.404, subdivision 4a, is amended to read:

5.15 Subd. 4a. **State-owned recreation; entertainment facilities.** Notwithstanding any
5.16 other law, local ordinance, or charter provision, the commissioner may issue on-sale
5.17 intoxicating liquor licenses:

5.18 (1) to the state agency administratively responsible for, or to an entity holding a
5.19 concession or facility management contract with such agency for beverage sales at, the
5.20 premises of any Giants Ridge Recreation Area building or recreational improvement area
5.21 owned by the state in the town of White, St. Louis County;

5.22 (2) to the state agency administratively responsible for, or to an entity holding a
5.23 concession or facility management contract with such agency for beverage sales at, the
5.24 premises of any Ironworld Discovery Center building or facility owned by the state at
5.25 Chisholm; and
5.26 (3) to the Board of Regents of the University of Minnesota for events at Northrop
5.27 Auditorium and spectator suites and clubs in any intercollegiate football stadium
5.28 constructed by the University on its Minneapolis campus.
5.29 The commissioner shall charge a fee for licenses issued under this subdivision in an
5.30 amount comparable to the fee for comparable licenses issued in surrounding cities.

5.31 **Sec. 9. [473.5955] TERMINATION OF LEASE.**

6.1 The lease between the Regents of the University of Minnesota and the commission
6.2 dated May 19, 1982, that requires the University of Minnesota football team to play its
6.3 home football games at the Hubert H. Humphrey Metrodome until July 1, 2012, may
6.4 be terminated by the board effective on or after the date designated by the board as the
6.5 date of completion of the stadium on the University of Minnesota's east bank campus in
6.6 the city of Minneapolis.

6.7 **Sec. 10. EFFECTIVE DATE.**

6.8 Sections 1 to 10 are effective the day following final enactment."



Minnesota House of Representatives

H.F. No. 263, 4th Engrossment - 84th Legislative Session (2005-2006) Posted on Apr 07, 2006

1.1 A bill for an act
 2 relating to a University of Minnesota football stadium; providing a process for
 1.3 state support of a football stadium at the University of Minnesota; transferring
 1.4 land in Dakota County from the University to the Department of Natural
 1.5 Resources; appropriating money; proposing coding for new law in Minnesota
 1.6 Statutes, chapter 473.
 1.7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.8 Section 1. **DEFINITIONS.**

1.9 Subdivision 1. **Applicability.** The definitions in this section apply to sections 2 to 7.

1.10 Subd. 2. **Commissioner.** "Commissioner" means the commissioner of finance.

1.11 Subd. 3. **Stadium.** "Stadium" means an athletic stadium suitable for intercollegiate
 1.12 National Collegiate Athletic Association (NCAA) Division I football games and related
 1.13 infrastructure improvements constructed on the University of Minnesota's east bank
 1.14 campus in the city of Minneapolis.

1.15 Subd. 4. **Board.** "Board" means the Regents of the University of Minnesota.

1.16 Subd. 5. **Commission.** "Commission" means the Metropolitan Sports Facilities
 1.17 Commission.

1.18 Subd. 6. **University land.** "University land" means approximately 2,840 acres
 1.19 owned by the University of Minnesota and lying within the area legally described as
 1.20 approximately the Southerly 3/4 of the Southwest 1/4 of Section 1 (comprising 120 acres),
 1.21 approximately the Southeast 1/4 of Section 2 (comprising 160 acres), the East 1/2 of
 1.22 Section 10, Section 11, the West 1/2 of Section 12, Section 13 and Section 14, all in Twp.
 1.23 114 North, Range 19 West, Dakota County, Minnesota.

1.24 Subd. 7. **Permitted University uses.** "Permitted University uses" means University
 1.25 educational, research, outreach, scientific and agricultural uses including, undiminished,
 2.1 all of the present uses of the University land, all of the present uses of University real
 2.2 property that adjoins the University land, all similar uses made of comparable property by
 2.3 other land grant universities, any uses related to the foregoing uses, and the making of
 2.4 improvements incidental to any such uses.

2.5 Subd. 8. **Other permitted uses.** "Other permitted uses" means agricultural, outdoor
 2.6 recreation uses including those named in Minnesota Statutes 2004, section 86A.03,
 2.7 subdivision 3, open space management uses, and the making of improvements incidental
 2.8 to any such uses, provided such improvements have been agreed to in writing by the
 2.9 University and the commissioner of natural resources.

2.10 Subd. 9. **Prohibited uses.** "Prohibited uses" means use of the University land
 2.11 for residential, commercial, or industrial uses, unless those uses are permitted by this
 2.12 act, or are presently being conducted under existing University leases, easements or use
 2.13 agreements or are utility uses within defined corridors.

2.14 Sec. 2. **ACTIVITIES; CONTRACTS.**

2.15 The legislature recognizes that the board has all powers necessary or convenient for
 2.16 designing, constructing, equipping, improving, controlling, operating, and maintaining the
 2.17 stadium and may enter into contracts that are in its judgment in the best interests of the
 2.18 public for those purposes. Notwithstanding contrary law, the board may adopt the fair
 2.19 and competitive design and construction procurement procedures in connection with the
 2.20 stadium that it considers to be in the public interest.

2.21 **Sec. 3. PUBLIC USE OF STADIUM.**

2.22 The Board of Regents is requested, in furtherance of its outreach mission and subject
 2.23 to its policies regarding the use of University facilities, to provide ample opportunities for
 2.24 use of the stadium for events sponsored by public bodies including public schools.

2.25 **Sec. 4. CONDITIONS FOR PAYMENT TO UNIVERSITY.**

2.26 (a) Before the commissioner may make the first payment to the board authorized
 2.27 in this section the commissioner must certify that the board has received at least
 2.28 \$124,000,000 in pledges, gifts, sponsorships, and other nonstate general fund revenue
 2.29 support for the construction of the stadium. On July 1 of each year after certification
 2.30 by the commissioner, but no earlier than July 1, 2007, and for so long thereafter as
 2.31 any bonds issued by the board for the construction of the stadium are outstanding, the
 2.32 state must transfer to the board up to \$9,400,000 to reimburse the board for its stadium
 2.33 costs, provided that bonds issued to pay the state's share of such costs shall not exceed
 3.1 \$124,000,000. Up to \$9,400,000 is appropriated annually from the general fund for the
 3.2 purpose of this section. The appropriation of up to \$9,400,000 per year may be made
 3.3 for no more than 25 years. The board must certify to the commissioner the amount of
 3.4 the annual payments of principal and interest required to service each series of bonds
 3.5 issued by the University for the construction of the stadium, and the actual amount of the
 3.6 state's annual payment to the University shall equal the amount required to service the
 3.7 bonds representing the state's share of such costs. Except to the extent of the annual
 3.8 appropriation described in this section, the state is not required to pay any part of the cost
 3.9 of designing or constructing the stadium.

3.10 (b) The board must certify to the commissioner that the per semester student fee
 3.11 contribution to the stadium will be at a fixed level coterminous with bonds issued by the
 3.12 board to meet the student share of the design construction of the stadium and that the
 3.13 student fee will not be increased to meet construction cost overruns.

3.14 **Sec. 5. NO FULL FAITH AND CREDIT.**

3.15 Any bonds or other obligations issued by the board under this act are not public debt
 3.16 of the state, and the full faith and credit and taxing powers of the state are not pledged for
 3.17 their payment, or of any payments that the state agrees to make under this act.

3.18 **Sec. 6. LAND PROTECTION AND TRANSFER.**

3.19 Subdivision 1. Land protection. The obligation of the state of Minnesota to
 3.20 make the payments required under section 4 herein is expressly conditioned upon the
 3.21 University's covenant in perpetuity, subject to subdivision 3, limiting the use of the
 3.22 University land to the permitted University uses and the other permitted uses and
 3.23 proscribing the use of the University land for any of the prohibited uses. A declaration
 3.24 imposing such restrictions and granting to the Minnesota Department of Natural Resources
 3.25 the right to enforce the same which has been executed by the University and filed in the

3.26 Office of the Dakota County Recorder shall satisfy this condition. In furtherance of the
 3.27 purposes of this subdivision, the University and Department of Natural Resources shall
 3.28 promptly endeavor to enter into a joint powers agreement pursuant to Minnesota Statutes,
 3.29 section 471.59, or a conservation easement held by a qualified conservation organization
 3.30 or by a conservation easement holder as described in applicable Minnesota law embodying
 3.31 such restrictions, which agreement or easement shall provide for cooperative oversight
 3.32 of the use of the University land. Nothing herein or in any declaration, agreement, or
 3.33 easement made or entered into pursuant hereto shall impair the rights of third parties
 3.34 under presently existing leases, easements, or use agreements. Except as limited in
 ..1 any declaration, agreement, or conservation easement made, entered into, or granted as
 4.2 provided above, the rights of University with respect to the University land are not to be
 4.3 affected by this section.

4.4 Subd. 2. **Land transfer.** Not later than the date on which the state of Minnesota
 4.5 makes the last of the payments required under section 4, the Regents of the University
 4.6 of Minnesota shall offer to convey the University land to the Minnesota Department of
 4.7 Natural Resources in its "as is" condition by quit claim deed, without warranties, for the
 4.8 sum of \$1. Upon agreement of the University and the state, all or part of the University
 4.9 land may be transferred to another governmental unit of the state. Any conveyance shall be
 4.10 subject to the perpetual right of the University to use the University land for the permitted
 4.11 University uses. Such conveyance shall also be subject to the rights of third parties under
 4.12 presently existing leases, easements, and use agreements. The instruments of transfer shall
 4.13 otherwise limit the use of the University land to the other permitted uses and subject such
 4.14 uses to such restrictions as may be provided in any agreement between the University and
 4.15 state or any conservation easement granted pursuant to subdivision 1, as applicable and
 4.16 proscribe its use for the prohibited purposes. The University of Minnesota shall have the
 17 right to enforce such limitations and restrictions. The state shall make no claim or demand
 4.18 or institute any suit or proceeding against the University with respect to environmental
 4.19 contamination of pollution on the University land resulting from hazardous substances,
 4.20 pollutants, or contaminants that were released, or that otherwise came to be located on the
 4.21 University land prior to the time the University took title thereto, unless the University
 4.22 took action that significantly contributed to the release after the University knew or
 4.23 reasonably should have known that a hazardous substance or pollutant or contaminant was
 4.24 located in or on the land. The University shall promptly endeavor and use due diligence
 4.25 to resolve its claims against the federal government with respect to environmental
 4.26 contamination that occurred prior to the time the University took title to the university
 4.27 land. The University shall seal any abandoned wells on the land pursuant to state law.

4.28 Subd. 3. **Termination of use restrictions.** In the event the state of Minnesota fails
 4.29 to make any payment required by section 4, the foregoing restrictions on University's use
 4.30 of the University land, any declaration, agreement, or conservation easement containing
 4.31 such restrictions and the University's obligation to offer the University land to the state of
 4.32 Minnesota shall be null and void.

33 Sec. 7. **[473.5955] TERMINATION OF LEASE.**

4.34 The lease between the Regents of the University of Minnesota and the commission
 4.35 dated May 19, 1982, that requires the University of Minnesota football team to play its
 5.1 home football games at the Hubert H. Humphrey Metrodome until July 1, 2012, may
 5.2 be terminated by the board effective on or after the date designated by the board as the
 5.3 date of completion of the stadium on the University of Minnesota's east bank campus in

5.4 the city of Minneapolis.

5.5 **Sec. 8. RECREATIONAL PROGRAM ASSESSMENT.**

5.6 The commissioner of natural resources, in cooperation with the Board of Regents of
5.7 the University, shall submit to the governor and the legislature by January 15, 2007, an
5.8 assessment of the short-term and long-term programmatic plans for the development of the
5.9 land identified in section 1, subdivision 8. The assessment shall include, but is not limited
5.10 to, a timeline for providing the recreational opportunities, and the needed restoration
5.11 including native species of local ecotype, measurable outcomes, and anticipated costs.
5.12 The commissioner of natural resources shall consult with interested stakeholders to assist
5.13 in the development of the plan.

5.14 **Sec. 9. REVISOR'S INSTRUCTION.**

5.15 The revisor of statutes shall codify sections 1 to 6 in chapter 137 in the next edition
5.16 of Minnesota Statutes.

5.17 **Sec. 10. EFFECTIVE DATE.**

5.18 Sections 1 to 9 are effective the day following final enactment.

Please direct all comments concerning issues or legislation
to your House Member or State Senator.

For Legislative Staff or for directions to the Capitol, visit the Contact Us page.

General questions or comments.

1.1 A bill for an act
1.2 relating to state and local government operations; providing a process for
1.3 developing a new baseball stadium; establishing a metropolitan ballpark
1.4 authority; providing for the membership, powers, and duties of the authority;
1.5 authorizing Hennepin County to contract with the ballpark authority, issue
1.6 bonds, and impose an additional sales tax; specifying certain duties of the
1.7 city of Minneapolis; amending Minnesota Statutes 2004, section 297A.71, by
1.8 adding a subdivision; Minnesota Statutes 2005 Supplement, section 10A.01,
1.9 subdivision 35; repealing Minnesota Statutes 2004, sections 473I.01; 473I.02;
1.10 473I.03; 473I.04; 473I.05; 473I.06; 473I.07; 473I.08; 473I.09; 473I.10; 473I.11;
1.11 473I.12; 473I.13.

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

1.13 Section 1. Minnesota Statutes 2005 Supplement, section 10A.01, subdivision 35,
1.14 is amended to read:

1.15 Subd. 35. **Public official.** "Public official" means any:

1.16 (1) member of the legislature;

1.17 (2) individual employed by the legislature as secretary of the senate, legislative
1.18 auditor, chief clerk of the house, revisor of statutes, or researcher, legislative analyst, or
1.19 attorney in the Office of Senate Counsel and Research or House Research;

1.20 (3) constitutional officer in the executive branch and the officer's chief administrative
1.21 deputy;

1.22 (4) solicitor general or deputy, assistant, or special assistant attorney general;

1.23 (5) commissioner, deputy commissioner, or assistant commissioner of any state
1.24 department or agency as listed in section 15.01 or 15.06, or the state chief information
1.25 officer;

- 2.1 (6) member, chief administrative officer, or deputy chief administrative officer of a
 2.2 state board or commission that has either the power to adopt, amend, or repeal rules under
 2.3 chapter 14, or the power to adjudicate contested cases or appeals under chapter 14;
- 2.4 (7) individual employed in the executive branch who is authorized to adopt, amend,
 2.5 or repeal rules under chapter 14 or adjudicate contested cases under chapter 14;
- 2.6 (8) executive director of the State Board of Investment;
- 2.7 (9) deputy of any official listed in clauses (7) and (8);
- 2.8 (10) judge of the Workers' Compensation Court of Appeals;
- 2.9 (11) administrative law judge or compensation judge in the State Office of
 2.10 Administrative Hearings or referee in the Department of Employment and Economic
 2.11 Development;
- 2.12 (12) member, regional administrator, division director, general counsel, or operations
 2.13 manager of the Metropolitan Council;
- 2.14 (13) member or chief administrator of a metropolitan agency;
- 2.15 (14) director of the Division of Alcohol and Gambling Enforcement in the
 2.16 Department of Public Safety;
- 2.17 (15) member or executive director of the Higher Education Facilities Authority;
- 2.18 (16) member of the board of directors or president of Minnesota Technology, Inc.; ~~or~~
- 2.19 (17) member of the board of directors or executive director of the Minnesota State
 2.20 High School League; or
- 2.21 (18) member of the Minnesota Ballpark Authority established in section 4.

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

2.24 Subd. 37. Building materials exemption. Materials, supplies, and equipment used
 2.25 or consumed in, and incorporated into the construction or improvement of the ballpark,
 2.26 and public infrastructure constructed pursuant to sections 3 to 12, are exempt.

2.27 Sec. 3. CONSTRUCTION AND FINANCING OF MAJOR LEAGUE
 2.28 BALLPARK.

2.29 Subdivision 1. Purpose; findings. The purpose of this act is to provide for the
 2.30 construction, financing, and long-term use of a ballpark primarily as a venue for major
 2.31 league baseball. It is hereby found and declared that the expenditure of public funds for
 2.32 this purpose is necessary and serves a public purpose. It is further found and declared that
 2.33 any provision in a lease or use agreement with a major league team, that requires the team
 2.34 to play its home games in a publicly funded ballpark for the duration of the lease or use

3.1 agreement, serves a unique public purpose for which the remedies of specific performance
3.2 and injunctive relief are essential to its enforcement. It is further found and declared
3.3 that government assistance to facilitate the presence of major league baseball provides
3.4 to Hennepin County, the state of Minnesota, and its citizens highly valued intangible
3.5 benefits that are virtually impossible to quantify and, therefore, not recoverable even if
3.6 the government receives monetary damages in the event of a team's breach of contract.
3.7 Minnesota courts are, therefore, charged with protecting those benefits through the use
3.8 of specific performance and injunctive relief as provided herein and in the lease and
3.9 use agreements.

3.10 Subd. 2. Location. The ballpark must be located in the city of Minneapolis at a
3.11 site within the development area.

3.12 Subd. 3. Definitions. As used in this act, the following terms have the meanings
3.13 given in this subdivision:

3.14 (a) "Authority" means the Minnesota Ballpark Authority established under section 4.

3.15 (b) "Ballpark" means the stadium suitable for major league baseball to be constructed
3.16 and financed under this act.

3.17 (c) "Ballpark costs" means, unless the context otherwise indicates, the cost of
3.18 designing, constructing, and equipping a ballpark suitable for major league baseball.
3.19 "Ballpark cost" excludes the cost of land acquisition, site improvements, utilities, site
3.20 demolition, environmental remediation, railroad crash wall, site furnishings, landscaping,
3.21 railroad right-of-way development, district energy, site graphics and artwork and other
3.22 site improvements identified by the authority, public infrastructure, capital improvement
3.23 reserves, bond reserves, capitalized interest, and financing costs.

3.24 (d) "County" means Hennepin County.

3.25 (e) "Development area" means the area in the city of Minneapolis bounded
3.26 by marked Interstate Highway 394, vacated Holden Street, the Burlington Northern
3.27 right-of-way, Seventh Street North, Sixth Avenue North, and Fifth Street North.

3.28 (f) "Public infrastructure" means all property, facilities, and improvements
3.29 determined by the authority or the county to facilitate the development and use of
3.30 the ballpark, including but not limited to property and improvements for drainage,
3.31 environmental remediation, parking, roadways, walkways, skyways, pedestrian bridges,
3.32 bicycle paths, and transit improvements to facilitate public access to the ballpark, lighting,
3.33 landscaping, utilities, streets, and land acquired and prepared for private redevelopment in
3.34 a manner related to the use of the ballpark.

3.35 (g) "Team" means the owner and operator of the baseball team currently known
3.36 as the Minnesota Twins.

4.1 Sec. 4. **MINNESOTA BALLPARK AUTHORITY.**

4.2 Subdivision 1. Establishment. To achieve the purposes of this act, the Minnesota
4.3 Ballpark Authority is established as a public body, corporate and politic, and political
4.4 subdivision of the state. The authority is not a joint powers entity or an agency or
4.5 instrumentality of the county. The authority may acquire title to all land, air rights, and
4.6 other interests in real property needed for construction and operation of the ballpark
4.7 and related facilities. The authority may enter into contracts for and take all actions
4.8 necessary or desirable to design, construct, furnish, equip, and provide for the operation,
4.9 maintenance, and improvement of the ballpark and related facilities, and has all powers
4.10 necessary or incidental to those actions.

4.11 Subd. 2. Composition. (a) The Minnesota Ballpark Authority shall be governed
4.12 by a commission consisting of:

4.13 (1) two members appointed by the governor;

4.14 (2) two members, including the chair, appointed by the county board; and

4.15 (3) one member appointed by the governing body of the city of Minneapolis.

4.16 (b) All members appointed under paragraph (a), clause (1), serve at the pleasure of
4.17 the governor. All members appointed under paragraph (a), clause (2), serve at the pleasure
4.18 of the county board. The member appointed under paragraph (a), clause (3), serves at the
4.19 pleasure of the governing body of the city of Minneapolis.

4.20 (c) Compensation of members appointed under paragraph (a) is governed by
4.21 Minnesota Statutes, section 15.0575.

4.22 (d) One member appointed under paragraph (a), clause (1), must be a resident of
4.23 a county other than Hennepin. All other members appointed under paragraph (a) must
4.24 be residents of Hennepin County.

4.25 Subd. 3. Chair. The chair shall preside at all meetings of the commission, if
4.26 present, and shall perform all other assigned duties and functions. The commission may
4.27 appoint from among its members a vice-chair to act for the chair during the temporary
4.28 absence or disability of the chair.

4.29 Subd. 4. Bylaws. The authority shall adopt bylaws to establish rules of procedure,
4.30 the powers and duties of its officers, and other matters relating to the governance of the
4.31 authority and the exercise of its powers. The bylaws adopted under this subdivision shall
4.32 be similar in form and substance to bylaws adopted by the Metropolitan Sports Facilities
4.33 Commission pursuant to Minnesota Statutes, section 473.553.

4.34 Subd. 5. Web site. The authority shall establish a Web site for purposes of providing
4.35 information to the public concerning all actions taken by the authority. At a minimum, the
4.36 Web site must contain a current version of the authority's bylaws, notices of upcoming

5.1 meetings, minutes of the authority's meetings, and contact telephone and fax numbers for
5.2 public comments.

5.3 **Sec. 5. POWERS OF AUTHORITY.**

5.4 Subdivision 1. **Actions.** The authority may sue and be sued. The authority is a
5.5 public body and the ballpark and public infrastructure are public improvements within the
5.6 meaning of Minnesota Statutes, chapter 562. The authority is a municipality within the
5.7 meaning of Minnesota Statutes, chapter 466.

5.8 Subd. 2. **Acquisition of property.** The authority may acquire from any public or
5.9 private entity by lease, purchase, gift, or devise all necessary right, title, and interest in and
5.10 to real or personal property deemed necessary to the purposes contemplated by this act.

5.11 Subd. 3. **Property tax exemption; special assessments.** Any real or personal
5.12 property acquired, owned, leased, controlled, used, or occupied by the authority or county
5.13 for any of the purposes of this act is declared to be acquired, owned, leased, controlled,
5.14 used, and occupied for public, governmental, and municipal purposes, and is exempt from
5.15 ad valorem taxation by the state or any political subdivision of the state; provided that the
5.16 properties are subject to special assessments levied by a political subdivision for a local
5.17 improvement in amounts proportionate to and not exceeding the special benefit received
5.18 by the properties from the improvement. No possible use of any of the properties in any
5.19 manner different from their use under this act at the time may be considered in determining
5.20 the special benefit received by the properties. Notwithstanding Minnesota Statutes, section
5.21 272.01, subdivision 2, or section 273.19, real or personal property leased by the authority
5.22 or county to another person for uses related to the purposes of this act, including the
5.23 operation of the ballpark and related parking facilities, is exempt from taxation regardless
5.24 of the length of the lease. This subdivision, insofar as it provides an exemption or special
5.25 treatment, does not apply to any real property that is leased for residential, business, or
5.26 commercial development or other purposes different from those contemplated in this act.

5.27 Subd. 4. **Data practices; open meetings.** Except as otherwise provided in this act,
5.28 the authority is subject to Minnesota Statutes, chapters 13 and 13D.

5.29 Subd. 5. **Facility operation.** The authority may equip, improve, operate, manage,
5.30 maintain, and control the ballpark and related facilities constructed, remodeled, or
5.31 acquired under this act, subject to the rights and obligations transferred to and assumed by
5.32 the team or other user under the terms of a lease or use agreement.

5.33 Subd. 6. **Disposition of property.** The authority may sell, lease, or otherwise
5.34 dispose of any real or personal property acquired by it that is no longer required for
5.35 accomplishment of its purposes. The property may be sold in accordance with the

6.1 procedures provided by Minnesota Statutes, section 469.065, except subdivisions 6 and 7,
6.2 to the extent the authority deems to be practical and consistent with this act. Title to the
6.3 ballpark shall not otherwise be transferred or sold without approval by the legislature.

6.4 Subd. 7. **Employees; contracts for services.** The authority may employ persons
6.5 and contract for services necessary to carry out its functions, including the utilization of
6.6 employees and consultants retained by other governmental entities. The authority may
6.7 employ on the terms it deems advisable persons or firms to provide peace officers to direct
6.8 traffic on property under the control of the authority and on the city streets in the general
6.9 area of the property controlled by the authority.

6.10 Subd. 8. **Gifts and grants.** The authority may accept monetary contributions,
6.11 property, services, and grants or loans of money or other property from the United States,
6.12 the state, any subdivision of the state, any agency of those entities, or any person for any
6.13 of its purposes, and may enter into any agreement required in connection with them. The
6.14 authority shall hold, use, and dispose of the money, property, or services according to the
6.15 terms of the monetary contributions, grant, loan, or agreement.

6.16 Subd. 9. **Research.** The authority may conduct research studies and programs;
6.17 collect and analyze data; prepare reports, maps, charts, and tables; and conduct all
6.18 necessary hearings and investigations in connection with its functions.

6.19 Subd. 10. **Use agreements.** The authority may lease, license, or enter into use
6.20 agreements and may fix, alter, charge, and collect rentals, fees, and charges for the use,
6.21 occupation, and availability of part or all of any premises, property, or facilities under
6.22 its ownership, operation, or control for purposes that will provide athletic, educational,
6.23 cultural, commercial, or other entertainment, instruction, or activity for the citizens of
6.24 Minnesota and visitors. Any such use agreement may provide that the other contracting
6.25 party has exclusive use of the premises at the times agreed upon, as well as the right to
6.26 retain all revenues from ticket sales, suite licenses, concessions, advertising, naming
6.27 rights, and other revenues derived from the ballpark. The lease or use agreement with a
6.28 team shall provide for the payment by the team of operating and maintenance costs and
6.29 expenses and provide other terms the authority and team agree to.

6.30 Subd. 11. **Insurance.** The authority may require any employee to obtain and
6.31 file with it an individual bond or fidelity insurance policy. It may procure insurance in
6.32 the amounts it considers necessary against liability of the authority or its officers and
6.33 employees for personal injury or death and property damage or destruction, consistent
6.34 with Minnesota Statutes, chapter 466, and against risks of damage to or destruction of any
6.35 of its facilities, equipment, or other property.

7.1 Subd. 12. Exemption from council review; business subsidy act. The acquisition
7.2 and betterment of a ballpark by the authority must be conducted pursuant to this act and
7.3 are not subject to Minnesota Statutes, sections 473.165 and 473.173. Minnesota Statutes,
7.4 section 116J.994, does not apply to any transactions of the county, the authority, or other
7.5 governmental entity related to the ballpark or public infrastructure, or to any tenant or
7.6 other users of them.

7.7 Subd. 13. Local government action; environmental review. Local governmental
7.8 units shall take action promptly and within project design and construction timetables on
7.9 applications for building permits and certificates of occupancy. The county shall be the
7.10 responsible governmental unit for any environmental impact statement prepared under
7.11 Minnesota Statutes, section 116D.04. Governmental units granted authority under this act
7.12 may make decisions and take actions to acquire land, obtain financing, and impose the tax
7.13 under section 7, prior to completion of environmental review.

7.14 Subd. 14. Contracts. The authority may enter into a development agreement with
7.15 the team, the county, or any other entity relating to the construction, financing, and
7.16 use of the ballpark and related facilities and public infrastructure. The authority may
7.17 contract for materials, supplies, and equipment in accordance with Minnesota Statutes,
7.18 section 471.345, except that the authority, with the consent of the county, may employ
7.19 or contract with persons, firms, or corporations to perform one or more or all of the
7.20 functions of architect, engineer, or construction manager with respect to all or any part of
7.21 the ballpark and public infrastructure. Alternatively, at the request of the team and with
7.22 the consent of the county, the authority shall authorize the team to provide for the design
7.23 and construction of the ballpark, subject to terms of this act. The construction manager
7.24 may enter into contracts with contractors for labor, materials, supplies, and equipment
7.25 for the construction of the ballpark through the process of public bidding, except that the
7.26 construction manager may, with the consent of the authority or the team:

7.27 (1) narrow the listing of eligible bidders to those which the construction manager
7.28 determines to possess sufficient expertise to perform the intended functions;

7.29 (2) award contracts to the contractors that the construction manager determines
7.30 provide the best value, which are not required to be the lowest responsible bidder; and

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

7.35 The authority may require that the construction manager shall certify, before the contract
7.36 is finally signed, a certified, fixed, and stipulated construction price and completion date

8.1 to the authority and shall post a bond in an amount at least equal to 100 percent of the
8.2 certified price, to cover any costs, which may be incurred in excess of the certified price,
8.3 including but not limited to costs incurred by the authority or loss of revenues resulting
8.4 from incomplete construction on the completion date. The authority may secure surety
8.5 bonds as provided in Minnesota Statutes, section 574.26, securing payment of just claims
8.6 in connection with all public work undertaken by it. Persons entitled to the protection
8.7 of the bonds may enforce them as provided in Minnesota Statutes, sections 574.28 to
8.8 574.32, and shall not be entitled to a lien on any property of the authority under the
8.9 provisions of Minnesota Statutes, sections 514.01 to 514.16. Contracts for construction
8.10 and operation of the ballpark must include programs to provide for participation by small,
8.11 local, women, and minority businesses, and the inclusion of women and people of color
8.12 in the workforces of contractors and ballpark operators.

8.13 Subd. 15. Zoning and planning. It is hereby found and declared that the
8.14 construction of a ballpark within the development area is consistent with the adopted
8.15 area plan, is the preferred ballpark location, and is a permitted land use. Local units of
8.16 government may not impose restrictions or conditions on ballpark and public infrastructure
8.17 land use approvals except those which are based on reasonable land use grounds and
8.18 criteria which are within their jurisdiction to apply. This subdivision applies to establish a
8.19 procedure for all land use reviews and approvals by local governments for the ballpark
8.20 and related public infrastructure and supersedes all land use rules and restrictions and
8.21 procedures imposed by other law, charter, or ordinance. Minnesota Statutes, section 15.99,
8.22 subdivision 3, paragraphs (f) and (g), shall not apply. Within 60 days of enactment, the city
8.23 of Minneapolis and the county shall establish a ballpark implementation committee with
8.24 equal representation from the city of Minneapolis and county to make recommendations
8.25 on street vacation, parking, roadways, walkways, skyways, pedestrian bridges, bicycle
8.26 paths, transit improvements to facilitate public street access to the ballpark, and integration
8.27 into the transportation plan for downtown and the region, lighting, landscaping, utilities,
8.28 streets, drainage, environmental remediation, and land acquired and prepared for private
8.29 redevelopment in a manner related to the use of the ballpark. The recommendations of
8.30 the committee shall be forwarded to the city of Minneapolis Planning Commission for an
8.31 advisory recommendation and then to the city council for action in a single resolution.

8.32 **Sec. 6. CRITERIA AND CONDITIONS.**

8.33 Subdivision 1. Binding and enforceable. In developing the ballpark and entering
8.34 into related contracts, the authority must follow and enforce the criteria and conditions in

9.1 subdivisions 2 to 14, provided that a determination by the authority that those criteria or
9.2 conditions have been met under any agreement or otherwise shall be conclusive.

9.3 Subd. 2. **Team contributions.** The team must agree to contribute \$125,000,000
9.4 toward ballpark costs, less a proportionate share of any amount by which actual ballpark
9.5 costs may be less than a budgeted amount of \$360,000,000. The team contributions
9.6 must be funded in cash during the construction period. In addition to any other team
9.7 contribution, the team must agree to assume and pay when due all cost overruns for the
9.8 ballpark costs that exceed the budget, excluding land, site improvements, and public
9.9 infrastructure.

9.10 Subd. 3. **Reserve for capital improvements.** The authority shall require that
9.11 a reserve fund for capital improvements to the stadium be established and funded with
9.12 annual team payments of \$600,000 and annual payments from other sources of \$1,400,000,
9.13 which annual payments shall increase according to an inflation index determined by the
9.14 authority. The authority may accept contributions from the county or other source for the
9.15 portion of the funding not required to be provided by the team.

9.16 Subd. 4. **Lease or use agreements.** The authority and team must agree to a
9.17 long-term lease or use agreement with the team for its use of the ballpark. The team
9.18 must agree to play all regularly scheduled and postseason home games at the ballpark.
9.19 Preseason games may also be scheduled and played at the ballpark. The lease or use
9.20 agreement must be for a term of at least 30 years from the date of ballpark completion.
9.21 The lease or use agreement must include terms for default, termination, and breach of the
9.22 agreement. Recognizing that the presence of major league baseball provides to Hennepin
9.23 County, the state of Minnesota, and its citizens highly valued, intangible benefits that
9.24 are virtually impossible to quantify and, therefore, not recoverable in the event of a
9.25 team owner's breach of contract, the lease and use agreements must provide for specific
9.26 performance and injunctive relief to enforce provisions relating to use of the ballpark for
9.27 major league baseball and must not include escape clauses or buyout provisions.

9.28 Subd. 5. **Notice requirement for certain events.** Until 30 years from the date
9.29 of ballpark completion, the team must provide written notice to the authority not less
9.30 than 90 days prior to any action, including any action imposed upon the team by Major
9.31 League Baseball, which would result in a breach or default of provisions of the lease
9.32 or use agreements required to be included under subdivision 4. If this notice provision
9.33 is violated and the team has already breached or been in default under the required
9.34 provisions, the authority, the county, or the state of Minnesota is authorized to specifically
9.35 enforce the lease or use agreement, and Minnesota courts are authorized and directed to

10.1 fashion equitable remedies so that the team may fulfill the conditions of the lease and use
10.2 agreements, including, but not limited to, remedies against Major League Baseball.

10.3 Subd. 6. Enforceable financial commitments. The authority must determine before
10.4 ballpark construction begins that all public and private funding sources for construction
10.5 and operation of the ballpark are included in written agreements. The committed funds
10.6 must be adequate to design, construct, furnish, and equip the ballpark.

10.7 Subd. 7. Community ownership option. (a) The lease or use agreement for the
10.8 baseball facility must provide that if the owner of the baseball franchise seeks to sell the
10.9 franchise during the term of the agreement, the franchise must first be offered for sale to
10.10 the entity formed in compliance with paragraph (b) on the same terms offered to any other
10.11 entity. The offer to sell the franchise to this entity must remain open for at least one
10.12 year. The amounts that would otherwise be returned to the public under subdivision 9
10.13 may be used by an entity created under paragraph (b) to offset the cost of acquiring the
10.14 baseball franchise.

10.15 (b) The governor and the authority must attempt to facilitate the formation of
10.16 a corporation to acquire the baseball franchise and to identify an individual private
10.17 managing owner of the corporation. The corporation formed to acquire the franchise shall
10.18 have a capital structure in compliance with all of the following provisions:

10.19 (1) there may be two classes of capital stock: common stock and preferred stock.
10.20 Both classes of stock must give holders voting rights with respect to any relocation
10.21 or contraction of the franchise;

10.22 (2) the private managing owner must own no less than 25 percent and no more than
10.23 35 percent of the common stock. For purposes of this restriction, shares of common stock
10.24 owned by the private managing owner include shares of commons stock owned by any
10.25 related taxpayer as defined in section 1313(c) of the Internal Revenue Code of 1986, as
10.26 amended. Other than the rights of all other holders of common stock and preferred stock
10.27 with respect to relocation of the franchise or voluntary contraction, the private managing
10.28 owner must control all aspects of the operation of the corporation;

10.29 (3) other than the private managing owner, no individual or entity may own more
10.30 than five percent of the common stock of the corporation;

10.31 (4) at least 50 percent of the ownership of the common stock must be sold to
10.32 members of the general public in a general solicitation and no person or entity must own
10.33 more than one percent of common stock of the corporation; and

10.34 (5) the articles of incorporation, bylaws, and other governing documents must
10.35 provide that the franchise may not move outside of the state or agree to voluntary
10.36 contraction without approval of at least 75 percent of the shares of common stock and at

11.1 least 75 percent of the shares of preferred stock. Notwithstanding any law to the contrary,
11.2 these 75 percent approval requirements shall not be amended by the shareholders or
11.3 by any other means.

11.4 (c) Except as specifically provided by this act, no state agency may spend money
11.5 from any state fund for the purpose of generating revenue under this subdivision or for the
11.6 purpose of providing operating support or defraying operating losses of a professional
11.7 baseball franchise.

11.8 Subd. 8. **Environmental requirements.** The authority must comply with all
11.9 environmental requirements imposed by regulatory agencies for the ballpark, site, and
11.10 structure. The authority must ensure that the ballpark receives Leadership in Energy and
11.11 Environmental Design (LEED) certification for environmental design, and to the extent
11.12 practicable, that the ballpark design is architecturally significant.

11.13 Subd. 9. **Public share upon sale of team.** The lease or use agreement must provide
11.14 that, if the team is sold after the effective date of this act, a portion of the sale price must
11.15 be paid to the authority and deposited in a reserve fund for improvements to the ballpark
11.16 or expended as the authority may otherwise direct. The portion required to be so paid to
11.17 the authority is 75 percent of the increased value of the team.

11.18 Subd. 10. **Access to books and records.** The authority must seek a provision in
11.19 the lease or use agreement that provides the authority access to annual audited financial
11.20 statements of the team and other financial books and records that the authority deems
11.21 necessary to determine compliance by the team with this act and to enforce the terms
11.22 of any lease or use agreements entered into under this act. Any financial information
11.23 obtained by the authority under this subdivision is nonpublic data under Minnesota
11.24 Statutes, section 13.02, subdivision 9.

11.25 Subd. 11. **Affordable access.** To the extent determined by the authority or required
11.26 by a grant agreement, any lease or use agreement must provide for affordable access to the
11.27 professional sporting events held in the ballpark.

11.28 Subd. 12. **No strikes; lockouts.** The authority must use its best efforts to negotiate a
11.29 public sector project labor agreement or other agreement to prevent strikes and lockouts
11.30 that would halt, delay, or impede construction of the ballpark and related facilities.

11.31 Subd. 13. **Youth and amateur sports.** The lease or use agreement must require that
11.32 the team provide or cause to be provided \$250,000 annually for the term of the agreement
11.33 for youth activities and amateur sports without reducing the amounts otherwise normally
11.34 provided for and on behalf of the team for those purposes. The amount shall increase
11.35 according to an inflation factor not to exceed 2.5 percent annually and may be subject to a
11.36 condition that the county fund grants for similar purposes as authorized by this act.

12.1 Subd. 14. Name retention. The lease or use agreement must provide that the
12.2 team and league will transfer to the state of Minnesota the Minnesota Twins' heritage
12.3 and records, including the name, logo, colors, history, playing records, trophies and
12.4 memorabilia in the event of any dissolution or relocation of the Twins franchise.

12.5 Subd. 15. Sustainable building guidelines. The construction process used for a
12.6 ballpark constructed under this act must, to the extent feasible, follow sustainable building
12.7 guidelines established under section 16B.325.

12.8 Subd. 16. American steel. The authority must ensure that a ballpark constructed
12.9 under this act be, to the greatest extent practicable, constructed of American-made steel.

12.10 **Sec. 7. COUNTY ACTIVITIES; BONDS; TAXES.**

12.11 Subdivision 1. Activities; contracts. (a) The county may authorize, by resolution,
12.12 and make one or more grants to the authority for ballpark development and construction,
12.13 public infrastructure, reserves for capital improvements, operating expenses, and other
12.14 purposes related to the ballpark on the terms and conditions agreed to by the county and
12.15 the authority.

12.16 (b) To the extent funds are available from collections of the tax authorized by
12.17 subdivision 3 after payment each year of debt service on the bonds authorized and issued
12.18 under subdivision 2 and payments for the purposes described in paragraph (a), the county
12.19 may also:

12.20 (1) authorize by resolution and expend or make grants to the authority and to
12.21 other governmental units and nonprofit organizations in an aggregate amount of up to
12.22 \$2,000,000 annually for youth activities and amateur sports; and

12.23 (2) authorize by resolution expenditure of up to \$2,000,000 annually to pay the cost
12.24 of extending the hours of operation of county libraries and Minneapolis public libraries.

12.25 The maximum amounts of the expenditures under clause (1) may be increased by up
12.26 to 2.5 percent per year after the first year of the expenditure for that purpose.

12.27 (c) The amount that the county may grant or expend for ballpark costs shall not
12.28 exceed \$235,000,000. The amount of any grant for capital improvement reserves shall not
12.29 exceed \$1,400,000 annually, subject to annual increases according to an inflation index
12.30 acceptable to the county. This act does not limit the amount of grants or expenditures
12.31 for land, site improvements, and public infrastructure. Such agreements are valid and
12.32 enforceable notwithstanding that they involve payments in future years and they do not
12.33 constitute a debt of the county within the meaning of any constitutional or statutory
12.34 limitation or for which a referendum is required. The county may acquire land, air rights,
12.35 and other property interests within the development area for the ballpark site and public

13.1 infrastructure and convey it to the authority with or without consideration, prepare a site
13.2 for development as a ballpark, and acquire and construct any related public infrastructure.
13.3 The county may review and approve ballpark designs, plans, and specifications to the
13.4 extent provided in a grant agreement and in order to ensure that the public purposes of the
13.5 grant are carried out. Public infrastructure designs must optimize area transit and bicycle
13.6 opportunities, including connections to planned or existing trails and transportation
13.7 corridors, including Central, Hiawatha, I-394, Northstar, Northwest, Red Rock, Rush
13.8 Line, and Southwest. The county may enforce the provisions of any grant agreement by
13.9 specific performance. Except to require compliance with the conditions of the grant, the
13.10 county has no interest in or claim to any assets or revenues of the authority. The county
13.11 may initiate an environmental impact statement as the responsible governmental unit
13.12 under Minnesota Statutes, section 116D.04, and conduct other studies and tests necessary
13.13 to evaluate the suitability of the ballpark site. The county has all powers necessary or
13.14 convenient for those purposes and may enter into any contract for those purposes. The
13.15 county may reimburse a local governmental entity within its jurisdiction or make a
13.16 grant to such a governmental unit for site acquisition, preparation of the site for ballpark
13.17 development, and public infrastructure. Amounts expended by a local governmental unit
13.18 with the proceeds of a grant or in expectation of reimbursement by the county shall not be
13.19 deemed an expenditure or other use of local governmental resources by the governmental
13.20 unit within the meaning of any law or charter limitation. Exercise by the county of its
13.21 powers under this section shall not affect the amounts that the county is otherwise eligible
13.22 to spend, tax, or receive under any law.

13.23 (d) It is the intent of the legislature that, except as expressly limited herein, the
13.24 county has the authority to acquire and develop a site for the ballpark, to enter into
13.25 contracts with the authority and other governmental entities, to appropriate funds, and
13.26 to make employees, consultants, and other revenues available for those purposes.
13.27 The county may exercise for those purposes all the powers of a city, a housing and
13.28 redevelopment authority, a port authority, a community development agency, and an
13.29 economic development authority notwithstanding any limitations on the powers of those
13.30 entities with respect to the development of sports facilities buildings designed or used
13.31 primarily for professional sports.

13.32 Subd. 2. County revenue bonds. The county may, by resolution, authorize, sell,
13.33 and issue revenue bonds to provide funds to make a grant to the authority and to finance
13.34 all or a portion of the costs of site acquisition, site improvements and other activities
13.35 necessary to prepare a site for development of a stadium, and to acquire and construct
13.36 any related parking facilities and other public infrastructure. The county may also, by

14.1 resolution, issue bonds to refund the bonds issued pursuant to this section. The bonds must
14.2 be limited obligations, payable solely from or secured by taxes levied under subdivision 3,
14.3 and any other revenues to become available under this act. The bonds may be issued in
14.4 one or more series and sold without an election. The bonds shall be sold in the manner
14.5 provided by Minnesota Statutes, section 475.60. The bonds shall be secured, bear
14.6 the interest rate or rates or a variable rate, have the rank or priority, be executed in the
14.7 manner, be payable in the manner, mature, and be subject to the defaults, redemptions,
14.8 repurchases, tender options, or other terms, as the county may determine. The county may
14.9 enter into and perform all contracts deemed necessary or desirable by it to issue and
14.10 secure the bonds, including an indenture of trust with a trustee within or without the state.
14.11 The debt represented by the bonds shall not be included in computing any debt limitation
14.12 applicable to the county. Subject to this subdivision, the bonds must be issued and sold in
14.13 the manner provided in Minnesota Statutes, chapter 475. The bonds shall recite that they
14.14 are issued under this act and the recital shall be conclusive as to the validity of the bonds
14.15 and the imposition and pledge of the taxes levied for their payment. In anticipation of the
14.16 issuance of the bonds authorized under this subdivision and the collection of taxes levied
14.17 under subdivision 3, the county may provide funds for the purposes authorized by this act
14.18 through interfund loans from other available funds of the county.

14.19 Subd. 3. Sales and use tax. (a) Notwithstanding Minnesota Statutes, section
14.20 477A.016, or any other law, the governing body of the county may, by ordinance, impose
14.21 an additional sales tax at a rate not to exceed 0.15 percent on sales taxable under Minnesota
14.22 Statutes, chapter 297A, that occur within the county, and may also, by ordinance, impose a
14.23 compensating use tax at a rate not to exceed 0.15 percent on uses of property within the
14.24 county, the sale of which would be subject to the additional sales tax but for the fact that
14.25 the property was sold outside the county.

14.26 (b) Voter approval is not required for imposition of the taxes authorized by paragraph
14.27 (a). The tax authorized under this act and the manner by which it is imposed are exempt
14.28 from Minnesota Statutes, section 297A.99, subdivisions 2 and 3.

14.29 (c) The tax must be dedicated to the purposes described in this act and terminates
14.30 upon payment or provision for payment of all bonds issued under subdivision 2 and
14.31 the payment or provision for payment of all obligations of the county under any grant
14.32 agreements or funding commitments entered into pursuant to this act.

14.33 (d) To the extent not inconsistent with this act, the provisions of Minnesota Statutes,
14.34 sections 297A.95; 297A.96; 297A.98; and 297A.99, subdivisions 4, 5, 6, 7, 8, 9, 10, 11,
14.35 and 12, apply to the tax.

15.1 (e) The tax shall not be included in determining the amount of sales tax that may be
15.2 imposed on lodging in the city of Minneapolis for purposes of the limitation contained
15.3 in Laws 1986, chapter 396, section 5, or in determining the amount of tax that may be
15.4 imposed under any other limitation.

15.5 (f) In the event of any amendment to Minnesota Statutes, chapter 297A, enacted
15.6 subsequent to the effective date of this act that exempts sales or uses that were taxable
15.7 under Minnesota Statutes, chapter 297A, on the effective date of this act, the county may,
15.8 by ordinance, adjust the tax rate authorized in this section, provided that the governing
15.9 body shall have determined that such adjustment is necessary to provide revenues for
15.10 the uses to which taxes may be applied under this section and further provided that,
15.11 in the estimation of the governing body, the aggregate annual collections following
15.12 such adjustment will not exceed the aggregate annual collections that would have been
15.13 generated if Minnesota Statutes, chapter 297A, as in effect on the effective date of this act,
15.14 were then in effect. Any bonds issued in accordance with this act may, with the consent
15.15 of the governing body, contain a covenant that the tax will be so adjusted to the extent
15.16 necessary to pay principal and interest on the bonds when due.

15.17 Subd. 4. Uses of taxes. Revenues received from the tax imposed under subdivision
15.18 3 may be used:

15.19 (1) to pay costs of collection;

15.20 (2) to pay or secure the payment of any principal of, premium, or interest on bonds
15.21 issued in accordance with this act;

15.22 (3) to pay costs and make grants described in subdivision 1, including financing
15.23 costs related to them; and

15.24 (4) to maintain reserves for the foregoing purposes deemed reasonable and
15.25 appropriate by the county.

15.26 After completion of the ballpark and public infrastructure, the tax revenues not
15.27 required for current payments of the expenditures described above shall be used to (i)
15.28 redeem or defease the bonds and (ii) prepay or establish a fund for payment of future
15.29 obligations under grants or other commitments for future expenditures which are permitted
15.30 by subdivision 1. Upon the redemption or defeasance of the bonds and the establishment
15.31 of reserves adequate to meet such future obligations, the tax shall terminate and shall
15.32 not be reimposed.

5.33 **Sec. 8. METROPOLITAN SPORTS FACILITIES COMMISSION.**

15.34 The Metropolitan Sports Facilities Commission may authorize, by resolution,
15.35 technical, professional, or financial assistance for the development of the ballpark

16.1 upon such terms and conditions as the county and the Metropolitan Sports Facilities
16.2 Commission may agree, including reimbursement of financial assistance from the
16.3 proceeds of the bonds authorized in this chapter.

16.4 **Sec. 9. RAILROAD AUTHORITY CONVEYANCE.**

16.5 At the request of the authority, the Hennepin County Regional Railroad Authority
16.6 shall convey land it owns within the development area that is not currently used for rail
16.7 purposes to the authority without charge for use in connection with the ballpark and
16.8 public infrastructure.

16.9 **Sec. 10. CITY REQUIREMENTS.**

16.10 Subdivision 1. **Third Avenue.** At the request of the authority, the city of
16.11 Minneapolis shall vacate the portion of Third Avenue North from Seventh Street North to
16.12 the intersection of Third Avenue North and the on-ramp to marked Interstate Highway 394
16.13 without impeding on-ramp access.

16.14 Subd. 2. **Land conveyance.** At the request of the authority, the city of Minneapolis
16.15 shall convey to the authority at fair market value all real property it owns that is located in
16.16 the development area and is not currently used for road, sidewalk, or utility purposes and
16.17 that the authority determines to be necessary for ballpark or public infrastructure purposes.

16.18 Subd. 3. **Liquor licenses.** The city of Minneapolis shall issue intoxicating liquor
16.19 licenses that are reasonably requested for the premises of the ballpark. These licenses
16.20 are in addition to the number authorized by law. All provisions of Minnesota Statutes,
16.21 chapter 340A, not inconsistent with this section apply to the licenses authorized under
16.22 this subdivision.

16.23 Subd. 4. **Charter limitations.** Actions taken by the city of Minneapolis under this
16.24 section shall not be deemed to be an expenditure or other use of city resources within the
16.25 meaning of any charter limitation.

16.26 **Sec. 11. LOCAL TAXES.**

16.27 No local unit of government shall impose a new or additional tax on sales or uses
16.28 of any item that is not in effect for the ballpark site on the date of enactment of this act,
16.29 except taxes generally applicable throughout the jurisdiction.

16.30 **Sec. 12. REPEALER.**

16.31 Minnesota Statutes 2004, sections 473I.01; 473I.02; 473I.03; 473I.04; 473I.05;
16.32 473I.06; 473I.07; 473I.08; 473I.09; 473I.10; 473I.11; 473I.12; and 473I.13, are repealed.

17.1 Sec. 13. **EFFECTIVE DATES.**

17.2 Sections 1 to 6 and 8 to 12 are effective the day following final enactment. Section 7
17.3 is effective the day after the governing body of Hennepin County and its chief clerical
17.4 officer timely complete their compliance with Minnesota Statutes, section 645.021,
17.5 subdivisions 2 and 3.

473I.01 DEFINITIONS.

Subdivision 1. **Application.** The definitions in this section apply to sections 473I.01 to 473I.13.

Subd. 2. **Municipality.** "Municipality" means a statutory or home rule charter city in the metropolitan area, as defined in section 473.121, subdivision 2.

Subd. 3. **Commission.** "Commission" means the Metropolitan Sports Facilities Commission as defined in section 473.551.

Subd. 4. **Commissioner.** "Commissioner" means the commissioner of finance.

473I.02 SITE SELECTION FOR BASEBALL PARK.

In selecting a site to be proposed to the team for the new baseball park, the municipality shall consider at least the following:

- (1) the adequacy of the size of the site relative to the preferred design for the baseball park;
- (2) the adequacy of existing public infrastructure serving the site, including parking and highway, road, and transit access, to meet the demands created by events at the baseball park in combination with other uses or events in the area that create traffic, transit, or parking demands;
- (3) the costs of any likely infrastructure improvements for the facility;
- (4) potential development advantages, including development of compatible mixed use, commercial, and housing developments, in the area surrounding the baseball park;
- (5) compatibility of surrounding uses with the baseball park; and
- (6) appropriate aesthetic considerations.

473I.03 PRECONDITIONS TO ISSUING BONDS.

Subdivision 1. **Money available.** Before issuing bonds under section 473I.06, the commissioner must determine that:

- (1) \$120,000,000 in cash from the team or other private sources has been paid to the commissioner for deposit in a construction account for leasehold improvement of the baseball park;
- (2) the municipality and the team have agreed to make payments on the ballpark loan, to be credited to the baseball park debt service account under section 473I.04, at the times and in the amounts provided in the loan agreement, but not less than \$12,000,000 per year unless the commissioner of finance determines otherwise;
- (3) the revenues pledged to pay principal and interest on the bonds will be sufficient to make all debt service payments as they come due and make the bonds marketable;
- (4) the bid demonstrates the financial capacity of the municipality to make the annual payments under and satisfy any other conditions of the loan under section 473I.05; and
- (5) the other conditions required in this section have been met.

Subd. 2. **Major league baseball guaranty.** The commissioner of finance determines that the major league of which the baseball team is a member and major league baseball have both executed an agreement with the city that guarantees the continuance of a major league franchise in the metropolitan area for the greater of (1) 30 years from the date of the agreement or (2) the term of the bonds under sections 473I.06 and 473I.11.

Subd. 3. **Baseball economic reform.** (a) The executive council shall review information from major league baseball and assess:

(1) whether major league baseball and the major league baseball players' association are making a good faith effort to agree upon a new economic system for major league baseball to enhance the competitiveness of small market teams; and

(2) the prospects for adoption of changes to major league baseball providing increased revenues for small market teams and enhancing the viability of a new baseball park.

(b) The executive council shall assess whether, in its opinion, there is reasonable basis for concluding that major league baseball and the major league baseball players' association will agree to a system in the foreseeable future, which, after full implementation and considering all of its elements, will reduce the disparity in team revenues.

(c) The commissioner may issue bonds under section 473I.06 only after the executive council determines that there are reasonable prospects for changes in the revenue sharing structure of major league baseball that will provide sufficient revenues for the major league baseball team to make the proposed baseball park a financially viable facility for the term of the bonds to be issued under sections 473I.06 and 473I.11. The executive council must make the determination

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within 30 days after a referendum conducted under section 473I.07, subdivision 2, has passed, but no later than September 30, 2002. The determination of the executive council under this paragraph is conclusive and is not subject to judicial review.

Subd. 4. Construction of baseball park; maximum price. The municipality must have executed agreements that provide for the construction of a roof-ready baseball park to be owned by the municipality for a guaranteed maximum price not to exceed \$330,000,000, and that require performance bonds in an amount at least equal to 100 percent of the guaranteed maximum price to cover any costs incurred over and above the guaranteed maximum price, including, but not limited to, costs incurred by the municipality and loss of revenues resulting from incomplete construction on the substantial completion date. The major league baseball team is responsible for and must pay all cost overruns.

Subd. 5. Construction of baseball park; labor and materials. The municipality must have entered into an agreement with the major league baseball team that the major league baseball team has the following obligations during the period of construction of the baseball park:

(1) the payment of the prevailing wage rate as defined in section 177.42 to all construction workers;

(2) the provision to the municipality of a signed agreement between the major league baseball team and the construction unions that will work on the baseball park that mandates a no-strike and no-lockout period during construction of the baseball park; and

(3) all construction materials for the baseball park produced from or containing steel, so far as practicable, must use steel produced in the United States from taconite produced in Minnesota.

Subd. 6. Socially disadvantaged persons. The major league baseball team must have entered into an agreement with the municipality to make all reasonable efforts to ensure that businesses owned by socially disadvantaged persons are awarded contracts for construction and operation of the baseball park in proportion to the number of qualified businesses owned by socially disadvantaged persons in the metropolitan area. The agreement must provide that the team will make all reasonable efforts to ensure that employment of socially disadvantaged persons for the construction or operation of the baseball park will be proportionate to the number of qualified workers who are socially disadvantaged persons in the metropolitan area. For the purposes of this subdivision, "socially disadvantaged persons" is as defined in Minnesota Rules, part 1230.0150, subpart 24. The municipality must report to the legislature annually on the implementation of this subdivision.

Subd. 7. Use agreement; team. The municipality must have entered into a use agreement with the major league baseball team that provides:

(1) the major league baseball team will use the baseball park for all scheduled home preseason, regular season, and postseason games that the major league baseball team is entitled to play at home for not less than 30 years without an escape clause for the major league baseball team;

(2) the baseball park will be available on nongame days for potential use by the University of Minnesota, Minnesota State Colleges and Universities, private colleges and universities, the State High School League, the municipality for community events, and the Minnesota Amateur Sports Commission;

(3) the major league baseball team will ensure that a portion of the tickets for its games are accessible and affordable;

(4) the major league baseball team and the municipality will cooperate in maintaining the facility as a smoke-free facility;

(5) an American flag manufactured in the United States will be publicly displayed at all baseball games and other events conducted at the baseball park;

(6) the major league baseball team will receive all revenue generated at the stadium, except as otherwise specifically provided in this section;

(7) a listing of all revenue streams generated from use of the baseball park with a specification of what revenues are available to cover the major league baseball team operations, what revenues accrue to the municipality, and what revenues are available to repay the bonds;

(8) the major league baseball team is responsible for repair, maintenance, and replacement of equipment or property in the baseball park, including inspections by the municipality and a representative of the state, as rent;

(9) the agreement must afford to the municipality the rights and remedies at law and equity that are deemed necessary and appropriate to provide reasonable assurance that the baseball team and the owner will comply with the agreements through the 30-year term. The remedies must include specific performance and injunctive relief and may include any other equitable remedies, and any additional remedies or ownership, voting, or other security arrangements the municipality reasonably determines to be effective in ensuring the baseball team will play the required games in the baseball park throughout the 30-year term. The legislature finds that a material breach of an

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agreement between a municipality and a professional athletic team that commits to the long-term playing of major league games at public facilities causes irreparable harm for which no adequate remedy at law is available and that the grant of equitable relief to remedy the breach is in the public interest and shall be liberally so construed;

(10) that transfer of any portion of ownership or equity in the major league baseball team does not change any obligations, responsibilities, or privileges under the agreement, this section, or section 473I.07; and

(11) if there is a sale or transfer of ownership of the major league baseball team, the owner of the team will pay to the state an amount equal to the state's share of the appreciated value of the team. The state's share must be based on the value of the state investment in the baseball park and must be determined according to a formula included in the use agreement.

Subd. 8. **Community ownership of team.** The owner of the team must attempt to reach an agreement on the sale of a majority interest in the team to one or more buyers who will keep the team in this state before attempting to sell the majority interest to others.

Subd. 9. **Use of team name and logo.** The major league baseball team must have entered into an agreement with the municipality under which the municipality will obtain from the team the rights to the control and use of the team name and logo if the team relocates to another state. Under the agreement, the team must notify the municipality within 24 hours of signing an agreement to relocate, and at midnight immediately following notification, all income from existing contracts for the use of the team name and logo and all team property with the team name and logo, other than personal property of team members and principals, will become the property of the municipality. This agreement and the requirement that it be entered into may not be construed as authorizing or permitting the team to relocate before the end of the lease and use agreements with the municipality.

Subd. 10. **Compliance with discovery orders.** The commissioner of finance determines with regard to a case in Hennepin County District Court, entitled Metropolitan Sports Facilities Commission v. Minnesota Twins Partnership and Major League Baseball, No. 0116998 (Hennepin County District Court), that one of the following has occurred:

(1) disclosure to the Metropolitan Sports Facilities Commission by the Minnesota Twins and the office of the commissioner of major league baseball of all documents relating to the Twins' finances, including tax records of the team and its owners, deals between the commissioner and the Twins' owner, contraction plans developed by team owners, and all other documents covered by all applicable discovery orders issued by the Hennepin County District Court;

(2) the Hennepin County District Court approves a settlement agreement signed by the metropolitan sports facilities commission and the Minnesota Twins; or

(3) the court has dismissed the case.

473I.04 SPORTS FACILITIES FUND.

Subdivision 1. **Creation.** The sports facilities fund is established as a special account in the state treasury.

Subd. 2. **Baseball park revenue bond proceeds account.** A baseball park revenue bond proceeds account is established in the sports facilities fund. The proceeds of any bonds issued under section 473I.06 must be credited to the account. The amount necessary to make the loan under section 473I.05 is appropriated from the account to the commissioner.

Subd. 3. **Baseball park debt service account.** (a) A baseball park debt service account is established in the sports facilities fund. The assets of the account and its investment earnings are pledged to and may only be used to pay principal and interest on bonds issued under section 473I.06.

(b) The State Board of Investment shall contract with the investment advisors specified by the team to invest money in the endowment account. The account must be invested in authorized investments under section 11A.24, except (1) corporate obligations described in section 11A.24, subdivision 3, paragraph (b), and (2) investments described in section 11A.24, subdivision 6, paragraph (a), clauses (1) to (4).

(c) The commissioner shall review the investment performance of the account at the end of the second year after the baseball park begins operations and every four years thereafter. The commissioner shall require the owner of the baseball park to impose a surcharge on admissions to events at the baseball park, in one-half of one percent increments, not to exceed five percent, in an amount sufficient to equal the money that would be in the fund, if an 8.5 percent annual rate of return had been earned. Notwithstanding the preceding sentence, the commissioner shall set the required rate of return for the first four years after the account is established. If the rate of return on the fund during the period exceeded 8.5 percent, the commissioner may use the excess to retire

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or defease the bonds. In making the determination under this paragraph, the commissioner must assume that the municipality has timely made all payments required under the loan agreement, regardless of whether the payments were made.

(d) In addition, the commissioner may require, as part of the loan agreement, that the municipality exercise its authority under section 473I.07 to provide money to the commissioner to make up any deficiency that is not eliminated under paragraph (c). The municipality may recover from the team any payments made under this paragraph.

(e) Money in the debt service account is appropriated to the commissioner to pay principal and interest on bonds issued under section 473I.06.

473I.05 LOAN AGREEMENT.

After making the determinations required by section 473I.03, the commissioner shall provide a loan to the municipality from money in the baseball park bond proceeds account, in an amount up to \$330,000,000. The proceeds of the loan must be used by the municipality to acquire and prepare a site for and to design, construct, furnish, and equip the baseball park. The commissioner shall specify the terms of the loan agreement.

473I.06 BASEBALL PARK REVENUE BONDS.

Subdivision 1. **Purposes.** After making the determinations required by section 473I.03, the commissioner may sell and issue revenue bonds to make the loan to the municipality, to establish a reserve fund or funds, and to pay the cost of issuance of the bonds.

Subd. 2. **Amount.** The principal amount of the bonds issued for the purposes specified in subdivision 1 must not exceed \$330,000,000. The commissioner shall deposit an amount of the proceeds equal to the contributions under section 473I.03, subdivision 1, clause (1), from the team and other private sources, in the baseball debt service account.

Subd. 3. **Procedure.** The commissioner may sell and issue the bonds on the terms and conditions the commissioner determines to be in the best interests of the state. The bonds may be sold at public or private sale. The commissioner may enter any agreements or pledges the commissioner determines necessary or useful to sell the bonds that are not inconsistent with sections 473I.01 to 473I.07. Sections 16A.672 to 16A.675 apply to the bonds. The metropolitan sports facilities commission shall transfer an amount, not to exceed one percent of the principal amount of the bonds, from its accumulated reserves to the commissioner to pay for the cost of issuance of the bonds.

Subd. 4. **Revenue sources.** The bonds are payable only from the following sources:

- (1) the principal and any investment earnings on the assets of the debt service account;
- (2) payments of the municipality and team under the loan made by the commissioner; and
- (3) other revenues pledged to the payment of the bonds.

Subd. 5. **Refunding bonds.** The commissioner may issue bonds to refund outstanding bonds issued under subdivision 1, including the payment of any redemption premiums on the bonds and any interest accrued or to accrue to the first redemption date after delivery of the refunding bonds. The proceeds of the refunding bonds may, in the discretion of the commissioner, be applied to the purchases or payment at maturity of the bonds to be refunded, or the redemption of the outstanding bonds on the first redemption date after delivery of the refunding bonds and may, until so used, be placed in escrow to be applied to the purchase, retirement, or redemption. Refunding bonds issued under this subdivision must be issued and secured in the manner provided by the commissioner.

Subd. 6. **Not a general or moral obligation.** Bonds issued under this section are not public debt, and the full faith, credit, and taxing powers of the state are not pledged for their payment. The bonds may not be paid, directly in whole or part from a tax of statewide application on any class of property, income, transaction, or privilege. Payment of the bonds is limited to the revenues explicitly authorized to be pledged under this section and section 473I.07 and the legislature intends that no state money will be used to pay the bonds. The state neither makes nor has a moral obligation to pay the bonds, if the pledged revenues and other legal security for them is insufficient.

Subd. 7. **Trustee.** The commissioner may contract with and appoint a trustee for bond holders. The trustee has the powers and authority vested in it by the commissioner under the bond and trust indentures.

Subd. 8. **Pledges.** Any pledge made by the commissioner is valid and binding from the time the pledge is made. The money or property pledged and later received by the commissioner is immediately subject to the lien of the pledge without any physical delivery of the property or

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money or further act, and the lien of any pledge is valid and binding as against all parties having claims of any kind in tort, contract, or otherwise against the commissioner, whether or not those parties have notice of the lien or pledge. Neither the order nor any other instrument by which a pledge is created need be recorded.

Subd. 9. **Bonds; purchase and cancellation.** The commissioner, subject to agreements with bondholders that may then exist, may, out of any money available for the purpose, purchase bonds of the commissioner at a price not exceeding (1) if the bonds are then redeemable, the redemption price then applicable plus accrued interest to the next interest payment date thereon, or (2) if the bonds are not redeemable, the redemption price applicable on the first date after the purchase upon which the bonds become subject to redemption plus accrued interest to that date.

Subd. 10. **State pledge against impairment of contracts.** The state pledges and agrees with the holders of any bonds that the state will not limit or alter the rights vested in the commissioner to fulfill the terms of any agreements made with the bondholders, or in any way impair the rights and remedies of the holders until the bonds, together with interest on them, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of the bondholders, are fully met and discharged. The commissioner may include this pledge and agreement of the state in any agreement with the holders of bonds issued under this section.

473I.07 LOCAL TAXING AUTHORITY.

Subdivision 1. **Use of proceeds.** (a) Subject to the restrictions in this section, the municipality may impose one or more of the taxes under this section to make the payments or meet other obligations under the loan agreement under section 473I.05. The taxes authorized in this section are in addition to taxes authorized under other law. The municipality may repay the state ballpark loan using only revenues from the ballpark and the taxes imposed under this section.

(b) The municipality may not use property taxes or other money, other than ballpark revenues and taxes imposed under this section, to pay for the cost of acquiring, improving, or operating the ballpark. The municipality may not expend more than \$50,000,000 for the cost of public infrastructure related to the ballpark. Public infrastructure related to the ballpark means parking, street improvements, interstate highway connections, sewer, water, and other utilities that are required under an agreement with the major league baseball team or as condition for financing of the baseball park.

(c) If the commissioner determines the money in the debt service accounts is sufficient to pay the bonds in full, the commissioner shall order a temporary or permanent reduction in the taxes imposed under subdivisions 5, 6, and 7 in the order of priority and as the commissioner determines appropriate.

Subd. 2. **Referendum.** (a) Before the municipality imposes a tax under subdivision 5 or 6, the imposition of the tax must be approved by the voters of the municipality at an election held on a Tuesday before September 30, 2002.

(b) Notwithstanding any statute, charter provision, or other law to the contrary, if the tax is approved in a referendum under this subdivision, an ordinance enacting the tax or authorizing expenditures of the proceeds of the tax is not subject to another vote of the electorate by referendum, initiative, charter amendment, or in any other manner.

Subd. 3. **Expiration; local option taxes.** When the bonds issued under section 473I.06 have been defeased or retired, subdivisions 4 to 7 and the taxes authorized by them expire.

Subd. 4. **Baseball park admission tax.** Notwithstanding any other law and only upon the request of the commissioner under section 473I.04, subdivision 3, paragraph (c), the city shall impose an admission tax of up to five percent of the sale price upon the granting, issuance, sale, or distribution, by any private or public person, association, or corporation, of the privilege of admission to activities at the baseball park. No other tax, surcharge, or governmental imposition, except the taxes collected under chapter 297A, may be levied by any other unit of government upon the sale or distribution.

The admission tax must be stated and charged separately from the sales price so far as practicable and must be collected by the grantor, seller, or distributor from the person admitted. The admission tax collected must be used for repayment of the bonds issued under section 473I.06 or to pay for improvements to the baseball park. The tax is a debt from that person to the grantor, issuer, seller, or distributor, and the tax required to be collected is a debt owed by the grantor, issuer, seller, or distributor to the municipality, recoverable at law in the same manner as other debts. Every person granting, issuing, selling, or distributing tickets for admissions to the ballpark may be required to secure a permit, to file returns, to deposit security for the payment of the tax,

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and to pay the penalties for nonpayment and interest on late payments, as deemed necessary or expedient to ensure the prompt and uniform collection of the tax.

Subd. 5. **Food and beverage taxes.** Notwithstanding section 477A.016, or any other limitation of law or charter, the municipality may by ordinance impose taxes on sales of food, as defined in section 297A.61, subdivision 31, and alcoholic beverages, as defined in section 297G.01, not to exceed five percent at a retail level on any business within the municipality. The municipality may impose this tax on all or part of the municipality, as provided in the ordinance. The ordinance must provide for dedication of the taxes or fees, after payment of collection and administrative expenses and refunds, to payment of principal and interest on bonds issued for the baseball park.

Subd. 6. **Lodging tax.** Notwithstanding section 477A.016, or any other limitation of law or charter to the contrary, the municipality may impose, by ordinance, a lodging tax at a rate of no more than five percent on the gross receipts from the furnishing for consideration of lodging as described in section 469.190, subdivision 1. The municipality may impose this tax on all or part of the municipality, as provided in the ordinance and may provide for exempting hotels or motels based on the number of rooms they have available. The ordinance must provide for dedication of the taxes and other income from the tax, after payment of collection and administrative expenses and refunds, to payment of the principal and interest on bonds issued for the baseball park.

Subd. 7. **Parking tax, surcharge, or both.** The municipality may, by ordinance, impose a parking tax or surcharge or both of not less than \$2 per vehicle per event at the baseball park. The parking tax and surcharge apply to public and privately owned parking facilities in the area that the municipality determines in its ordinance provide event parking for the baseball park. The ordinance must provide for dedication of the taxes and other income from the tax, after payment of collection and administrative expenses and refunds, to payment of the principal and interest on bonds issued for the baseball park.

473I.08 DESIGN AND CONSTRUCTION.

The major league professional baseball team shall design and construct the baseball park. Before the design process is complete and construction begins, the municipality and the team must hold at least one public hearing on the proposed design. All money paid to the municipality under section 473I.05 must be managed by the municipality and made available to the team as the team deems necessary for construction purposes.

473I.09 BASEBALL PARK; LIQUOR LICENSE.

The city in which the baseball park is located may issue an intoxicating liquor license for the premises of the baseball park. This license is in addition to the number authorized by law. All provisions of chapter 340A not inconsistent with this section apply to the license authorized under this section.

473I.10 CONDOMINIUM.

The municipality selected to be the location of the baseball park may, by itself or together with another owner, and any other public or private person or entity, as to real or personal property comprising or appurtenant or ancillary to the baseball park, act as a declarant and establish a condominium or leasehold condominium under chapter 515A or as a common interest community or leasehold common interest community under chapter 515B, and may grant, establish, create, or join in other or related easements, agreements, and similar benefits and burdens that the municipality may deem necessary or appropriate, and may exercise any and all rights and privileges, and assume obligations under them as a declarant, unit owner, or otherwise, insofar as practical and consistent with this section. The municipality may be a member of an association and the chair, any members of its governing body, and any officers and employees of the municipality may serve on the board of an association under chapter 515A or 515B.

473I.11 ALTERNATIVE BONDING AUTHORITY.

Subdivision 1. **Commissioner determination.** If the commissioner determines that all or a portion of the bonds could be issued by the municipality at a lower rate of interest than the bonds under section 473I.06, the municipality that is the site for the baseball park may issue a portion of the bonds under this section and chapter 475. The commissioner shall file the determination, in writing, with the secretary of state and the provisions of section 473.553, subdivision 14, take effect.

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Subd. 2. **Alternative ownership of ballpark.** (a) If the commissioner determines to authorize the municipality to issue bonds under this section:

(1) the ownership of the baseball park must be in the commission; and

(2) the commission has all of the powers and responsibilities of the municipality under the provisions of sections 473I.03; 473I.04; 473I.05; 473I.06; 473I.07, subdivision 4; 473I.08; and 473I.10.

(b) The commission shall segregate and maintain separate accounts and records of the revenue and expenditures for the baseball park and may not use baseball park money for its operations and costs related to other sports facilities.

Subd. 3. **Authorization reduction.** The principal amount of any bonds issued under this section must be deducted from the principal amount of the bonds authorized under section 473I.06.

Subd. 4. **Taxability.** The bonds must be issued as tax-exempt revenue bonds.

Subd. 5. **Procedure.** If the municipality issues bonds under this section, the bonds must be sold, issued, and secured in the manner provided in chapter 475 for bonds payable solely from revenues and the municipality has the same powers and duties as a municipality and its governing body in issuing bonds under that chapter. The bonds may be sold at any price and at public or private sale as determined by the municipality. The bonds may be sold in one or more series. Different series may be backed by different revenue sources. An election is not required. The municipality may enter any agreements or arrangements it deems necessary or useful to issue the bonds. The municipality must give the proceeds of the bonds, less the cost of issuance, to the commission to be used for the purposes of acquiring and constructing the ballpark.

Subd. 6. **Security.** The municipality may pledge to the payment of and the bonds are payable from the taxes imposed by the municipality under section 473I.07, except subdivision 4.

473I.12 BASEBALL PARK DISTRICT.

The municipality may establish a baseball park district to foster the development and continuing growth of compact, pedestrian-oriented, compatible mixed uses within buildings and blocks around the baseball park. Before establishing the district, the municipality must:

(1) give public notice of the creation and boundaries of the district, including reasons that support the boundaries set by the municipality; and

(2) hold at least one public hearing on the proposed establishment of the district.

473I.13 JOINT POWERS AGREEMENT.

Two or more cities may enter a joint powers agreement under section 471.59 to serve as a municipality for purposes of sections 473I.01 to 473I.12. If a joint powers agreement is entered for this purpose, the obligations and powers of and the limitations on a municipality under sections 473I.01 to 473I.12 apply to each of the cities.

1.1 Senator moves to amend S.F. No. 2297 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 " **ARTICLE 1**
1.4 **BALLPARK**

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

1.7 Subd. 38. **Building materials exemption.** Materials, supplies, and equipment used
1.8 or consumed in, and incorporated into the construction or improvement of the ballpark,
1.9 and public infrastructure constructed pursuant to sections 473.75 to 473.756, are exempt.

1.10 Sec. 2. **[473.75] CONSTRUCTION AND FINANCING OF MAJOR LEAGUE**
1.11 **BALLPARK.**

1.12 Subdivision 1. **Purpose; findings.** The purpose of this article is to provide for the
1.13 construction, financing, and long-term use of a ballpark primarily as a venue for major
1.14 league baseball. It is found and declared that the expenditure of public funds for this
1.15 purpose is necessary and serves a public purpose. It is further found and declared that any
1.16 provision in a lease or use agreement with a major league team, that requires the team
1.17 to play its home games in a publicly funded ballpark for the duration of the lease or use
1.18 agreement, serves a unique public purpose for which the remedies of specific performance
1.19 and injunctive relief are essential to its enforcement. It is further found and declared that
1.20 government assistance to facilitate the presence of major league baseball provides to the
1.21 state of Minnesota and its citizens highly valued intangible benefits that are virtually
1.22 impossible to quantify and, therefore, not recoverable even if the government receives
1.23 monetary damages in the event of a team's breach of contract. Minnesota courts are,
1.24 therefore, charged with protecting those benefits through the use of specific performance
1.25 and injunctive relief as provided herein and in the lease and use agreements.

1.26 Subd. 2. **Location.** The ballpark must be located in the city of Minneapolis at a
1.27 site within the development area.

1.28 Subd. 3. **Definitions.** As used in this article, the following terms have the meanings
1.29 given in this subdivision:

1.30 (a) "Ballpark" means the stadium suitable for major league baseball to be constructed
1.31 and financed under this article.

1.32 (b) "Ballpark costs" means, unless the context otherwise indicates, the cost of
1.33 designing, constructing, and equipping a ballpark suitable for major league baseball.

1.34 "Ballpark cost" excludes the cost of land acquisition, site improvements, utilities, site
1.35 demolition, environmental remediation, railroad crash wall, site furnishings, landscaping,

2.1 railroad right-of-way development, district energy, site graphics and artwork and other
 2.2 site improvements identified by the authority, public infrastructure, capital improvement
 2.3 reserves, bond reserves, capitalized interest, and financing costs.

2.4 (c) "Development area" means the area in the city of Minneapolis bounded
 2.5 by marked Interstate Highway 394, vacated Holden Street, the Burlington Northern
 2.6 right-of-way, Seventh Street North, Sixth Avenue North, and Fifth Street North.

2.7 (d) "Public infrastructure" means all property, facilities, and improvements
 2.8 determined by the commission to facilitate the development and use of the ballpark,
 2.9 including but not limited to property and improvements for drainage, environmental
 2.10 remediation, parking, roadways, walkways, skyways, pedestrian bridges, bicycle paths,
 2.11 and transit improvements to facilitate public access to the ballpark, lighting, landscaping,
 2.12 utilities, streets, and land acquired and prepared for private redevelopment in a manner
 2.13 related to the use of the ballpark.

2.14 (e) "Team" means the owner and operator of the baseball team currently known
 2.15 as the Minnesota Twins.

2.16 **Sec. 3. [473.751] BALLPARK CONSTRUCTION AGREEMENTS, PROCESS.**

2.17 Subdivision 1. **Contracts.** The commission may enter into a development agreement
 2.18 with the team or any other entity relating to the construction, financing, and use of the
 2.19 ballpark and related facilities and public infrastructure. The commission may contract
 2.20 for materials, supplies, and equipment in accordance with section 471.345, except that
 2.21 the commission may employ or contract with persons, firms, or corporations to perform
 2.22 one or more or all of the functions of architect, engineer, or construction manager with
 2.23 respect to all or any part of the ballpark and public infrastructure. Alternatively, at the
 2.24 request of the team, the commission shall authorize the team to provide for the design and
 2.25 construction of the ballpark, subject to terms of this article. The construction manager
 2.26 may enter into contracts with contractors for labor, materials, supplies, and equipment
 2.27 for the construction of the ballpark through the process of public bidding, except that the
 2.28 construction manager may, with the consent of the commission or the team:

2.29 (1) narrow the listing of eligible bidders to those which the construction manager
 2.30 determines to possess sufficient expertise to perform the intended functions;

2.31 (2) award contracts to the contractors that the construction manager determines
 2.32 provide the best value, which are not required to be the lowest responsible bidder; and

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

3.1 The commission may require that the construction manager shall certify, before the
 3.2 contract is signed, a certified, fixed, and stipulated construction price and completion date
 3.3 to the commission and shall post a bond in an amount at least equal to 100 percent of
 3.4 the certified price, to cover any costs, which may be incurred in excess of the certified
 3.5 price, including, but not limited to, costs incurred by the commission or loss of revenues
 3.6 resulting from incomplete construction on the completion date. The commission may
 3.7 secure surety bonds as provided in section 574.26, securing payment of just claims in
 3.8 connection with all public work undertaken by it. Persons entitled to the protection of the
 3.9 bonds may enforce them as provided in sections 574.28 to 574.32, and shall not be entitled
 3.10 to a lien on any property of the commission under the provisions of sections 514.01 to
 3.11 514.16. Contracts for construction and operation of the ballpark must include programs
 3.12 to provide for participation by small local businesses and businesses owned by women
 3.13 and people of color, and the inclusion of women and people of color in the workforces of
 3.14 contractors and ballpark operators.

3.15 Subd. 2. **Zoning and planning.** It is found and declared that the construction
 3.16 of a ballpark within the development area is consistent with the adopted area plan, is
 3.17 the preferred ballpark location, and is a permitted land use. Local units of government
 3.18 may not impose restrictions or conditions on ballpark and public infrastructure land use
 3.19 approvals except those which are based on reasonable land use grounds and criteria which
 3.20 are within their jurisdiction to apply. This subdivision applies to establish a procedure for
 3.21 all land use reviews and approvals by local governments for the ballpark and related public
 3.22 infrastructure and supersedes all land use rules and restrictions and procedures imposed
 3.23 by other law, charter, or ordinance. Section 15.99, subdivision 3, paragraphs (f) and (g),
 3.24 does not apply. Within 60 days of enactment, the city of Minneapolis and Hennepin
 3.25 County shall establish a ballpark implementation committee with equal representation
 3.26 from the city of Minneapolis and Hennepin County to make recommendations on street
 3.27 vacation, parking, roadways, walkways, skyways, pedestrian bridges, bicycle paths,
 3.28 transit improvements to facilitate public street access to the ballpark, and integration
 3.29 into the transportation plan for downtown and the region, lighting, landscaping, utilities,
 3.30 streets, drainage, environmental remediation, and land acquired and prepared for private
 3.31 redevelopment in a manner related to the use of the ballpark. The recommendations of
 3.32 the committee shall be forwarded to the city of Minneapolis Planning Commission for an
 3.33 advisory recommendation and then to the city council for action in a single resolution.

3.34 Subd. 3. **Local government action; environmental review.** Local governmental
 3.35 units shall take action promptly and within project design and construction timetables on
 3.36 applications for building permits and certificates of occupancy. The commission shall be

4.1 the responsible governmental unit for any environmental impact statement prepared under
4.2 section 116D.04. The commission may make decisions and take actions to acquire land
4.3 and obtain financing prior to completion of environmental review.

4.4 Sec. 4. **[473.752] CRITERIA AND CONDITIONS.**

4.5 Subdivision 1. **Binding and enforceable.** In developing the ballpark and entering
4.6 into related contracts, the commission must follow and enforce the criteria and conditions
4.7 in subdivisions 2 to 14, provided that a determination by the commission that those criteria
4.8 or conditions have been met under any agreement or otherwise shall be conclusive.

4.9 Subd. 2. **Team contributions.** The team must agree to contribute \$130,000,000
4.10 toward ballpark costs, plus a proportionate share of the cost of adding a retractable
4.11 roof to the ballpark. The team contribution must be reduced by a proportionate share
4.12 of any amount by which actual ballpark costs may be less than a budgeted amount of
4.13 \$360,000,000. The team contributions must be funded in cash during the construction
4.14 period. In addition to any other team contribution, the team must agree to assume and pay
4.15 when due all cost overruns for the ballpark costs that exceed the budget, excluding land,
4.16 site improvements, and public infrastructure.

4.17 Subd. 3. **Reserve for capital improvements.** The commission shall require that
4.18 a reserve fund for capital improvements to the stadium be established and funded with
4.19 annual team payments of \$600,000 and annual payments from other sources of \$1,400,000,
4.20 which annual payments shall increase according to an inflation index determined by the
4.21 commission. The commission may accept contributions from any other source for the
4.22 portion of the funding not required to be provided by the team.

4.23 Subd. 4. **Lease or use agreements.** The commission and team must agree to a
4.24 long-term lease or use agreement with the team for its use of the ballpark. The team
4.25 must agree to play all regularly scheduled and postseason home games at the ballpark.
4.26 Preseason games may also be scheduled and played at the ballpark. The lease or use
4.27 agreement must be for a term of at least 30 years from the date of ballpark completion.
4.28 The lease or use agreement must include terms for default, termination, and breach of
4.29 the agreement. Recognizing that the presence of major league baseball provides to the
4.30 state of Minnesota and its citizens highly valued, intangible benefits that are virtually
4.31 impossible to quantify and, therefore, not recoverable in the event of a team owner's
4.32 breach of contract, the lease and use agreements must provide for specific performance
4.33 and injunctive relief to enforce provisions relating to use of the ballpark for major league
4.34 baseball and must not include escape clauses or buyout provisions.

5.1 Subd. 5. Notice requirement for certain events. Until 30 years from the date of
5.2 ballpark completion, the team must provide written notice to the commission not less than
5.3 90 days prior to any action, including any action imposed upon the team by Major League
5.4 Baseball, which would result in a breach or default of provisions of the lease or use
5.5 agreements required to be included under subdivision 4. If this notice provision is violated
5.6 and the team has already breached or been in default under the required provisions, the
5.7 commission or the state of Minnesota is authorized to specifically enforce the lease or use
5.8 agreement, and Minnesota courts are authorized and directed to fashion equitable remedies
5.9 so that the team may fulfill the conditions of the lease and use agreements, including, but
5.10 not limited to, remedies against Major League Baseball.

5.11 Subd. 6. Enforceable financial commitments. The commission must determine
5.12 before ballpark construction begins that all public and private funding sources for
5.13 construction and operation of the ballpark are included in written agreements. The
5.14 committed funds must be adequate to design, construct, furnish, and equip the ballpark.

5.15 Subd. 7. Community ownership option. (a) The lease or use agreement for the
5.16 baseball facility must provide that if the owner of the baseball franchise seeks to sell the
5.17 franchise during the term of the agreement, the franchise must first be offered for sale to
5.18 the entity formed in compliance with paragraph (b) on the same terms offered to any other
5.19 entity. The offer to sell the franchise to this entity must remain open for at least one
5.20 year. The amounts that would otherwise be returned to the public under subdivision 10
5.21 may be used by an entity created under paragraph (b) to offset the cost of acquiring the
5.22 baseball franchise.

5.23 (b) The governor and the commission must attempt to facilitate the formation
5.24 of a corporation to acquire the baseball franchise and to identify an individual private
5.25 managing owner of the corporation. The corporation formed to acquire the franchise shall
5.26 have a capital structure in compliance with all of the following provisions:

5.27 (1) there may be two classes of capital stock: common stock and preferred stock.
5.28 Both classes of stock must give holders voting rights with respect to any relocation
5.29 or contraction of the franchise;

5.30 (2) the private managing owner must own no less than 25 percent and no more than
5.31 35 percent of the common stock. For purposes of this restriction, shares of common stock
5.32 owned by the private managing owner include shares of commons stock owned by any
5.33 related taxpayer as defined in section 1313(c) of the Internal Revenue Code of 1986, as
5.34 amended. Other than the rights of all other holders of common stock and preferred stock
5.35 with respect to relocation of the franchise or voluntary contraction, the private managing
5.36 owner must control all aspects of the operation of the corporation;

6.1 (3) other than the private managing owner, no individual or entity may own more
6.2 than five percent of the common stock of the corporation;

6.3 (4) at least 50 percent of the ownership of the common stock must be sold to
6.4 members of the general public in a general solicitation and no person or entity must own
6.5 more than one percent of common stock of the corporation; and

6.6 (5) the articles of incorporation, bylaws, and other governing documents must
6.7 provide that the franchise may not move outside of the state or agree to voluntary
6.8 contraction without approval of at least 75 percent of the shares of common stock and at
6.9 least 75 percent of the shares of preferred stock. Notwithstanding any law to the contrary,
6.10 these 75 percent approval requirements shall not be amended by the shareholders or
6.11 by any other means.

6.12 (c) Except as specifically provided by this article, no state agency may spend money
6.13 from any state fund for the purpose of generating revenue under this subdivision or for the
6.14 purpose of providing operating support or defraying operating losses of a professional
6.15 baseball franchise.

6.16 Subd. 8. **Environmental requirements.** The commission must comply with all
6.17 environmental requirements imposed by regulatory agencies for the ballpark, site, and
6.18 structure.

6.19 Subd. 9. **Ballpark design.** The ballpark must have a retractable roof. The
6.20 commission must ensure that the ballpark receives Leadership in Energy and
6.21 Environmental Design (LEED) certification for environmental design, and to the extent
6.22 practicable, that the ballpark design is architecturally significant.

6.23 Subd. 10. **Public share upon sale of team.** The lease or use agreement must
6.24 provide that, if the team is sold after the effective date of this act, a portion of the sale
6.25 price must be paid to the authority and deposited in a reserve fund for improvements to
6.26 the ballpark or expended as the authority may otherwise direct. The portion required to
6.27 be so paid to the authority is 18 percent of the gross sale price, declining to zero ten
6.28 years after commencement of ballpark construction in increments of 1.8 percent each
6.29 year. The agreement shall provide exceptions for sales to members of the owner's family
6.30 and entities and trusts beneficially owned by family members, sales to employees of
6.31 equity interests aggregating up to ten percent, and sales related to capital infusions not
6.32 distributed to the owners.

6.33 Subd. 11. **Access to books and records.** The commission must seek a provision in
6.34 the lease or use agreement that provides the commission access to annual audited financial
6.35 statements of the team and other financial books and records that the commission deems

7.1 necessary to determine compliance by the team with this article and to enforce the terms
7.2 of any lease or use agreements entered into under this article. Any financial information
7.3 obtained by the commission under this subdivision is nonpublic data under section 13.02,
7.4 subdivision 9.

7.5 Subd. 12. **Affordable access.** To the extent determined by the commission or
7.6 required by a grant agreement, any lease or use agreement must provide for affordable
7.7 access to the professional sporting events held in the ballpark.

7.8 Subd. 13. **No strikes; lockouts.** The commission must use its best efforts to
7.9 negotiate a public sector project labor agreement or other agreement to prevent strikes and
7.10 lockouts that would halt, delay, or impede construction of the ballpark and related facilities.

7.11 Subd. 14. **Youth and amateur sports.** The lease or use agreement must require that
7.12 the team provide or cause to be provided \$250,000 annually for the term of the agreement
7.13 for youth activities and amateur sports without reducing the amounts otherwise normally
7.14 provided for and on behalf of the team for those purposes. The amount shall increase
7.15 according to an inflation factor not to exceed 2.5 percent annually and may be subject to a
7.16 condition that the county fund grants for similar purposes as authorized by this article.

7.17 Subd. 15. **Name retention.** The lease or use agreement must provide that the
7.18 team and league will transfer to the state of Minnesota the Minnesota Twins' heritage
7.19 and records, including the name, logo, colors, history, playing records, trophies and
7.20 memorabilia in the event of any dissolution or relocation of the Twins franchise.

7.21 Subd. 16. **Sustainable building guidelines.** The construction process used for a
7.22 ballpark constructed under this article must, to the extent feasible, follow sustainable
7.23 building guidelines established under section 16B.325.

7.24 Subd. 17. **American steel.** The authority must ensure that a ballpark constructed
7.25 under this article be, to the greatest extent practicable, constructed of American-made steel.

7.26 Sec. 5. **[473.753] FINANCING OF FACILITY.**

7.27 Subdivision 1. **Public expenditures.** The amount that the commission may grant or
7.28 expend for ballpark costs shall not exceed \$475,000,000. The amount of any grant for
7.29 capital improvement reserves shall not exceed \$1,400,000 annually, subject to annual
7.30 increases according to an inflation index acceptable to the commission. This article does
7.31 not limit the amount of grants or expenditures for land, site improvements, and public
7.32 infrastructure. Such agreements are valid and enforceable notwithstanding that they
7.33 involve payments in future years and they do not constitute a debt of the commission
7.34 within the meaning of any constitutional or statutory limitation or for which a referendum

8.1 is required. The commission may acquire land, air rights, and other property interests
8.2 within the development area for the ballpark site and public infrastructure for development
8.3 as a ballpark, and acquire and construct any related public infrastructure. The commission
8.4 may review and approve ballpark designs, plans, and specifications to the extent provided
8.5 in a grant agreement and in order to ensure that the public purposes of the grant are carried
8.6 out. Public infrastructure designs must optimize area transit and bicycle opportunities,
8.7 including connections to planned or existing trails and transportation corridors, including
8.8 Central, Hiawatha, I-394, Northstar, Northwest, Red Rock, Rush Line, and Southwest. The
8.9 commission may enforce the provisions of any grant agreement by specific performance.
8.10 The commission may reimburse a local governmental entity within which the ballpark
8.11 is located or make a grant to such a governmental unit for site acquisition, preparation
8.12 of the site for ballpark development, and public infrastructure. Amounts expended by a
8.13 local governmental unit with the proceeds of a grant or in expectation of reimbursement
8.14 by the commission shall not be deemed an expenditure or other use of local governmental
8.15 resources by the governmental unit within the meaning of any law or charter limitation.

8.16 Subd. 2. **Revenue bonds.** The commission may, by resolution, authorize, sell,
8.17 and issue revenue bonds to provide funds to finance all or a portion of the costs of
8.18 site acquisition, site improvements and other activities necessary to prepare a site for
8.19 development of a stadium, and to acquire and construct any related parking facilities and
8.20 other public infrastructure, provided that the term of the bonds must be no longer than is
8.21 necessary to provide interim financing in anticipation of receipt of sufficient funds under
8.22 section 473.131 to meet these costs. The commission may also, by resolution, issue bonds
8.23 to refund the bonds issued pursuant to this section. The bonds must be limited obligations,
8.24 payable solely from or secured by revenues to become available under this article. The
8.25 bonds may be issued in one or more series and sold without an election. The bonds shall
8.26 be sold in the manner provided by section 475.60. The bonds shall be secured, bear the
8.27 interest rate or rates or a variable rate, have the rank or priority, be executed in the manner,
8.28 be payable in the manner, mature, and be subject to the defaults, redemptions, repurchases,
8.29 tender options, or other terms, as the commission may determine. The commission may
8.30 enter into and perform all contracts deemed necessary or desirable by it to issue and
8.31 secure the bonds, including an indenture of trust with a trustee within or without the state.
8.32 The debt represented by the bonds shall not be included in computing any debt limitation
8.33 applicable to the commission. Subject to this subdivision, the bonds must be issued and
8.34 sold in the manner provided in chapter 475. The bonds shall recite that they are issued
8.35 under this article and the recital shall be conclusive as to the validity of the bonds and the
8.36 imposition and pledge of the taxes levied for their payment.

9.1 Sec. 6. **[473.755] CITY REQUIREMENTS.**

9.2 Subdivision 1. **Third Avenue.** At the request of the commission, the city of
9.3 Minneapolis shall vacate the portion of Third Avenue North from Seventh Street North to
9.4 the intersection of Third Avenue North and the on-ramp to marked Interstate Highway 394
9.5 without impeding on-ramp access.

9.6 Subd. 2. **Land conveyance.** At the request of the commission, the city of
9.7 Minneapolis shall convey to the commission at fair market value all real property it owns
9.8 that is located in the development area and is not currently used for road, sidewalk, or
9.9 utility purposes and that the commission determines to be necessary for ballpark or public
9.10 infrastructure purposes.

9.11 Subd. 3. **Liquor licenses.** The city of Minneapolis shall issue intoxicating liquor
9.12 licenses that are reasonably requested for the premises of the ballpark. These licenses
9.13 are in addition to the number authorized by law. All provisions of chapter 340A not
9.14 inconsistent with this section apply to the licenses authorized under this subdivision.

9.15 Subd. 4. **Charter limitations.** Actions taken by the city of Minneapolis under this
9.16 section shall not be deemed to be an expenditure or other use of city resources within the
9.17 meaning of any charter limitation.

9.18 Sec. 7. **[473.756] LOCAL TAXES.**

9.19 No local unit of government shall impose a new or additional tax on sales or uses
9.20 of any item that is not in effect for the ballpark site on the date of enactment of this act,
9.21 except taxes generally applicable throughout the jurisdiction.

9.22 Sec. 8. **REPEALER.**

9.23 Minnesota Statutes 2004, sections 272.02, subdivision 50; 297A.71, subdivision 31;
9.24 473.5995, subdivision 2; 473I.01; 473I.02; 473I.03; 473I.04; 473I.05; 473I.06; 473I.07;
9.25 473I.08; 473I.09; 473I.10; 473I.11; 473I.12; and 473I.13, are repealed.

9.26 **ARTICLE 2**

9.27 **FOOTBALL STADIUM**

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

9.30 Subd. 39. **Stadium construction materials and equipment exempt.** Materials
9.31 and supplies used or consumed in, and equipment incorporated into the construction of
9.32 a National Football League stadium constructed under sections 473.76 to 473.769 are
9.33 exempt. The exemption under this subdivision terminates one year after the first National
9.34 Football League game is played in the stadium.

9.35 Sec. 2. **[473.76] PURPOSE.**

10.1 The legislature finds that construction of a new stadium that meets National Football
10.2 League programmatic requirements, with a retractable or fixed roof, in the city of Blaine,
10.3 county of Anoka, serves a public purpose. The legislature finds that the public purpose
10.4 served includes retaining the Minnesota Vikings as a part of Minnesota's public amenities
10.5 for its citizens and as a major attraction to visitors to the state, adding to the economic
10.6 development of the state, attracting revenue from out of the state, and preserving the
10.7 contributions of football to the culture of Minnesota and to the enjoyment of its citizens.
10.8 Further, the legislature finds that a National Football League stadium may be financed as a
10.9 public-private partnership between the state, the Minnesota Vikings, and other supporting
10.10 interests that may contribute to the construction of a football stadium and related facilities.
10.11 The legislature further finds that a new stadium should be coordinated with transportation
10.12 and transit plans and activities.

10.13 **Sec. 3. [473.761] DEFINITIONS.**

10.14 Subdivision 1. **Terms.** For the purposes of sections 473.76 to 473.769, the terms
10.15 defined in this section have the meanings given them in this section, except as otherwise
10.16 expressly provided or indicated by the context.

10.17 Subd. 2. **Sports facilities.** "Sports facilities" means the stadium, with a retractable
10.18 or fixed roof, adjoining structures related to the operation of the stadium, practice
10.19 facilities, including preseason training camp facilities, and other supporting infrastructure,
10.20 including parking.

10.21 Subd. 3. **Stadium district.** "Stadium district" means a district, containing the
10.22 National Football League stadium and consisting of no more than 740 contiguous acres
10.23 surrounding the sports facilities that is designated by the commission.

10.24 **Sec. 4. [473.762] LOCATION.**

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

10.27 **Sec. 5. [473.763] CONSTRUCTION OF FOOTBALL STADIUM.**

10.28 Subdivision 1. **Construction manager.** The commission and the Minnesota Vikings
10.29 shall jointly select a construction manager. With respect to the construction of the stadium,
10.30 the construction manager must:

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

10.32 (2) provide payment and performance bonds or other security reasonably acceptable
10.33 to the commission in an amount equal to the guaranteed maximum cost of construction,
10.34 and shall comply with all employment requirements applicable to city and state contracts

11.1 for construction, including prevailing wages as defined in section 177.42, affirmative
11.2 action, and outreach.

11.3 Subd. 2. **Contracts.** The lessee under the stadium lease or the construction manager
11.4 may enter into contracts with contractors for labor, materials, supplies, and equipment to
11.5 equip and construct the new stadium through the process of public bidding.

11.6 Subd. 3. **Bids.** The lessee or the construction manager may:

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

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

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

11.15 Subd. 4. **Design.** The commission must ensure that the stadium receives Leadership
11.16 in Energy and Environmental Design (LEED) certification for environmental design, and
11.17 to the extent practicable, that the stadium design is architecturally significant.

11.18 Sec. 6. **[473.764] ISSUANCE OF BONDS.**

11.19 Subdivision 1. **Bonds.** The commission may by resolution authorize the sale and
11.20 issuance of its bonds for any or all of the following purposes:

11.21 (1) to provide funds and pay costs to predesign, design, construct, furnish, equip, and
11.22 otherwise improve or better the sports facilities owned or to be owned by the commission
11.23 pursuant to this article, including construction of a retractable or fixed roof, and to finance
11.24 acquisition of right-of-way and construction and reconstruction of Interstate Highway
11.25 35W and other trunk highways in Anoka County to improve access to the stadium;

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

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

11.29 (4) to fund judgments entered by any court against the commission in matters
11.30 relating to the commission's functions related to the sports facilities.

11.31 Subd. 2. **Procedure.** The bonds shall be sold, issued, and secured on the terms and
11.32 conditions the commission determines to be in the best interests of the commission, except
11.33 as otherwise provided in sections 473.76 to 473.769. The bonds may be sold at any price
11.34 and at public or private sale as determined by the commission. They shall be payable
11.35 solely from revenues referred to in sections 473.76 to 473.769. The bonds shall not be a

12.1 general obligation or debt of the commission or any city, county, or the state, and shall not
12.2 be included in the net debt of any city, county, or other subdivision of the state for the
12.3 purpose of any net debt limitation. No election shall be required.

12.4 Subd. 3. **Limitations.** (a) The principal amount of the bonds issued under
12.5 subdivision 1 shall not exceed the amounts authorized in this subdivision. The principal
12.6 amount of bonds issued by the authority under subdivision 1, clauses (1) and (2), shall
12.7 be limited to \$510,000,000 plus the amounts necessary to fund appropriate reserves and
12.8 pay issuance costs. The term of the bonds must be no longer than is necessary to provide
12.9 interim financing in anticipation of receipt of sufficient funds under section 473.131 for
12.10 the purposes of subdivision 1, clauses (1) and (2).

12.11 (b) The commission shall issue its bonds and construction of the stadium may
12.12 commence when the commission has made the following determinations:

12.13 (1) the commission has executed a long-term use agreement with the Minnesota
12.14 Vikings, meeting the requirements of section 473.766;

12.15 (2) the commission has executed a development and financing agreement with the
12.16 Minnesota Vikings meeting the requirements of section 473.765;

12.17 (3) the proceeds of bonds authorized and provided for in this subdivision will be
12.18 sufficient, together with other capital funds that may be available to the commission
12.19 for expenditure on the sports facilities, including, except as otherwise provided in this
12.20 subdivision, the acquisition, clearance, relocation, and legal costs referred to in clauses
12.21 (4) and (5);

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

12.28 (5) the commission has received a grant of funds or entered into agreements
12.29 sufficient in the judgment of the commission to assure the receipt of funds, at the time
12.30 and in the amount required, to pay all costs, except as provided in this subdivision, of
12.31 clearing the real property needed for the construction and operation of the sports facilities,
12.32 railroad tracks, and other structures, including, without limitation, all relocation costs, all
12.33 utility relocation costs, and all legal costs;

12.34 (6) the commission has executed agreements to prevent strikes that would halt,
12.35 delay, or impede construction of the sports facilities;

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

13.7 (8) the anticipated revenue from the operation of the sports facilities plus any
13.8 additional available revenue of the commission will be an amount sufficient to pay when
13.9 due all debt service on the bonds issued under section 473.764, subdivision 1, plus all
13.10 administration, operating, and maintenance expense of the sports facilities;

13.11 (9) the commission has determined that all public and private funding sources for
13.12 construction and operation of the sports facilities are officially committed in writing and
13.13 enforceable. The committed funds must be adequate to site, design, construct, furnish,
13.14 equip, and service the sports facilities debt, as well as to pay for the ongoing operation
13.15 and maintenance of the stadium;

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

13.20 (11) the validity of any bonds issued under subdivision 1, clauses (1) and (2), and the
13.21 obligation of the commission related to them, shall not be conditioned upon or impaired
13.22 by the commission's determinations made under this subdivision. For purposes of using
13.23 the bonds, the determinations made by the commission shall be deemed conclusive
13.24 and the commission shall be and remain obligated for the security and payment of the
13.25 bonds issued under subdivision 1, irrespective of determinations that may be erroneous,
13.26 inaccurate, or otherwise mistaken.

13.27 Subd. 4. **Security.** To the extent and in the manner provided in sections 473.76 to
13.28 473.769, the revenues of the commission described in this article, and any other revenues
13.29 of the commission attributable to the sports facilities, including teams' contributions, shall
13.30 be and remain pledged and appropriated to the commission as appropriate for the payment
13.31 of all necessary and reasonable expenses of the operation, administration, maintenance
13.32 of the sports facilities, and debt service of the bonds until all bonds or certificates of
13.33 indebtedness issued pursuant to sections 473.76 to 473.769 are fully paid or discharged
13.34 in accordance with law. Bonds issued pursuant to sections 473.76 to 473.769 may be
13.35 secured by a bond resolution, or by a trust indenture entered into by the commission with
13.36 a corporate trustee within or outside the state, which shall define the revenue and team

14.1 contributions, and other sports facilities revenues pledged for the payment and security of
14.2 the bonds. The pledge shall be a valid charge on the revenues referred to in this chapter
14.3 from the date when bonds are first issued or secured under the resolution or indenture and
14.4 shall secure the payment of principal and interest and redemption premiums when due
14.5 and the maintenance at all times of a reserve or reserves securing payments. No mortgage
14.6 of or security interest in any tangible real or personal property shall be granted to the
14.7 bondholders or the trustee, but they shall have a valid security interest in all tax and
14.8 other revenues received and accounts receivable by the commission shall be hereunder,
14.9 as against the claims of all other persons in tort, contract, or otherwise, irrespective
14.10 of whether the parties have notice of the claims, and without possession or filing as
14.11 provided in the Uniform Commercial Code or any other law. In the bond resolution or
14.12 trust indenture, the commission may make covenants, which shall be binding upon the
14.13 commission, that are determined to be usual and reasonably necessary for the protection
14.14 of the bondholders. No pledge shall be revoked or amended by law or by action of the
14.15 commission except in accordance with the terms of the bond resolution or indenture under
14.16 which the bonds are issued, until the obligations of the authority are fully discharged.

14.17 Subd. 5. **No full faith and credit.** Any bonds or other obligations issued by the
14.18 commission under sections 473.76 to 473.769 are not public debt of the state, and the full
14.19 faith and credit and taxing powers of the state are not pledged for their payment or of any
14.20 payments that the state agrees to make under this article.

14.21 Subd. 6. **Taxability of interest on bonds.** The bonds authorized by this article may
14.22 be issued whether or not the interest to be paid on them is gross income for federal tax
14.23 purposes, provided that the commission must make an effort to arrange the financing for
14.24 the project in a manner that would allow the interest to be tax-exempt to the greatest
14.25 extent possible.

14.26 Sec. 7. **[473.765] DEVELOPMENT AND FINANCING AGREEMENT.**

14.27 Subdivision 1. **Agreement required.** Prior to commencement of construction, the
14.28 commission shall negotiate and enter into an agreement with Anoka County, the city of
14.29 Blaine, and the Minnesota Vikings concerning the terms and conditions under which the
14.30 parties will make contributions of funds, future revenues, interests in property for the site
14.31 and public infrastructure, the method of completing design and construction, which may
14.32 include the design build process, the integration of the stadium and related infrastructure
14.33 with surrounding development, and other matters relating to the stadium, its operation,
14.34 maintenance, and financing. This agreement shall, at a minimum, meet the requirements
14.35 of this section.

15.1 Subd. 2. Total public investment towards stadium project costs. The total public
15.2 investment, shall not exceed 59 percent of the stadium project costs. As used in this
15.3 section, "stadium project costs" includes the costs of the following:

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

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

15.7 (3) finished space and fixtures, furniture, and equipment within the stadium project
15.8 for the Minnesota Vikings, concessions and suites;

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

15.11 (5) professional and administrative services necessary for issuance of bonds and
15.12 related costs.

15.13 The extent of the expenditures under this section is subject to the agreement of
15.14 the Minnesota Vikings. Expenditures for finishing and equipping the space within the
15.15 stadium for the Minnesota Vikings is subject to a per square foot maximum agreed to
15.16 by the commission and the team.

15.17 Subd. 3. Team contribution. The team must contribute no less than \$280,000,000
15.18 to the sports facility costs. Team contributions may include, but are not limited to,
15.19 contribution of land, initial cash contributions, the net present value of guaranteed annual
15.20 payments, and assignments of naming rights and permanent seat licenses, but do not
15.21 include payments of operating and maintenance expenses for the stadium, which must be
15.22 made by the team. In addition to any other team contribution, the team must assume and
15.23 pay when due all cost overruns for the stadium.

15.24 Sec. 8. [473.766] USE AGREEMENT.

15.25 Subdivision 1. Requirement. Prior to the issuance of bonds under section 473.764,
15.26 the commission must have entered into an agreement with the Minnesota Vikings and the
15.27 National Football League meeting the requirements of this section.

15.28 Subd. 2. Agreement with Minnesota Vikings. The commission shall enter into a
15.29 use agreement with the Minnesota Vikings that, at a minimum, provides for the following:

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

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

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

16.3 Subd. 3. Agreement with national football league. The commission shall enter
16.4 into an agreement with the National Football League guaranteeing the continuance of the
16.5 Minnesota Vikings in the metropolitan area for the period of the agreements referred to in
16.6 subdivision 2, clause (1).

16.7 **Sec. 9. [473.767] ENVIRONMENTAL REQUIREMENTS.**

16.8 The commission must ensure that environmental requirements imposed by
16.9 appropriate regulatory agencies for the sports facilities are complied with.

16.10 **Sec. 10. [473.768] LIQUOR LICENSES.**

16.11 The city of Blaine may issue one or more intoxicating liquor licenses for the
16.12 stadium. These licenses are in addition to the number authorized by law. All provisions
16.13 of chapter 340A not inconsistent with this subdivision apply to the licenses authorized
16.14 under this subdivision.

16.15 **ARTICLE 3**

16.16 **SPORTS FACILITIES FINANCING AND GOVERNANCE**

16.17 Section 1. Minnesota Statutes 2005 Supplement, section 10A.01, subdivision 35,
16.18 is amended to read:

16.19 Subd. 35. **Public official.** "Public official" means any:

16.20 (1) member of the legislature;

16.21 (2) individual employed by the legislature as secretary of the senate, legislative
16.22 auditor, chief clerk of the house, revisor of statutes, or researcher, legislative analyst, or
16.23 attorney in the Office of Senate Counsel and Research or House Research;

16.24 (3) constitutional officer in the executive branch and the officer's chief administrative
16.25 deputy;

16.26 (4) solicitor general or deputy, assistant, or special assistant attorney general;

16.27 (5) commissioner, deputy commissioner, or assistant commissioner of any state
16.28 department or agency as listed in section 15.01 or 15.06, or the state chief information
16.29 officer;

16.30 (6) member, chief administrative officer, or deputy chief administrative officer of a
16.31 state board or commission that has either the power to adopt, amend, or repeal rules under
16.32 chapter 14, or the power to adjudicate contested cases or appeals under chapter 14;

16.33 (7) individual employed in the executive branch who is authorized to adopt, amend,
16.34 or repeal rules under chapter 14 or adjudicate contested cases under chapter 14;

16.35 (8) executive director of the State Board of Investment;

16.36 (9) deputy of any official listed in clauses (7) and (8);

- 17.1 (10) judge of the Workers' Compensation Court of Appeals;
- 17.2 (11) administrative law judge or compensation judge in the State Office of
17.3 Administrative Hearings or referee in the Department of Employment and Economic
17.4 Development;
- 17.5 (12) member, regional administrator, division director, general counsel, or operations
17.6 manager of the Metropolitan Council;
- 17.7 (13) member or chief administrator of a metropolitan agency;
- 17.8 (14) director of the Division of Alcohol and Gambling Enforcement in the
17.9 Department of Public Safety;
- 17.10 (15) member or executive director of the Higher Education Facilities Authority;
- 17.11 (16) member of the board of directors or president of Minnesota Technology, Inc.; ~~or~~
- 17.12 (17) member of the board of directors or executive director of the Minnesota State
17.13 High School League; or
- 17.14 (18) member of the Metropolitan Sports Facilities Commission.

17.15 **Sec. 2. [473.131] METROPOLITAN AREA SALES AND USE TAXES.**

17.16 Subdivision 1. Sales tax imposition. (a) A sales tax at a rate of 0.5 percent is
17.17 imposed on the gross receipts from retail sales that are taxable under chapter 297A that are
17.18 made in the metropolitan area by a person who is required to have or voluntarily obtains a
17.19 permit under section 297A.83, subdivision 1.

17.20 (b) Taxable services are subject to the sales tax under this section if they are
17.21 performed either:

- 17.22 (1) within the metropolitan area; or
- 17.23 (2) partly within and partly without the metropolitan area, and more of the service is
17.24 performed within the metropolitan area, based on the cost of performance.

17.25 Subd. 2. Use tax imposition. (a) A use tax is imposed on a person in the
17.26 metropolitan area for the privilege of using, storing, distributing, or consuming in the
17.27 metropolitan area tangible personal property or taxable services purchased for use,
17.28 storage, distribution, or consumption in the metropolitan area. The tax is imposed on
17.29 the sales price of retail sales of the tangible personal property or taxable services at the
17.30 rate of tax imposed under subdivision 1.

17.31 (b) No tax is imposed under paragraph (a) if the tax imposed by subdivision 1 was
17.32 paid on the sales price of the tangible personal property or taxable services.

17.33 (c) No tax is imposed under paragraph (a) if the purchase meets the requirements for
17.34 exemption under section 297A.67, subdivision 21, provided that the \$770 threshold in
17.35 that provision is reduced to \$60.

18.1 (d) A use tax is imposed on a person who manufactures, fabricates, or assembles
18.2 tangible personal property from materials, either within or outside the metropolitan area
18.3 and who uses, stores, distributes, or consumes the tangible personal property in the
18.4 metropolitan area. The tax is imposed on the sales price of retail sales of the materials
18.5 contained in the tangible personal property at the rate of tax imposed under section
18.6 297A.62.

18.7 (e) No tax is imposed under paragraph (d) if the tax imposed by section 297A.62
18.8 was paid on the sales price of materials contained in the tangible personal property.

18.9 Subd. 3. **Administration; collection.** Section 297A.99, subdivisions 9, 10, and 11,
18.10 apply to the taxes imposed in this section, by substituting the term "metropolitan area" or
18.11 "metropolitan council," as applicable, for "political subdivision" in those provisions.

18.12 Subd. 4. **Use of revenues.** (a) After deductions allowed by law, revenues received
18.13 from taxes authorized by subdivisions 1 and 2 must be deposited in the general fund of the
18.14 state treasury and are appropriated as follows:

18.15 (1) one-half to the council to be distributed to the Metropolitan Sports Facilities
18.16 Commission to be used to finance a new ballpark for the use of the Minnesota Twins, and
18.17 a new stadium for the use of the Minnesota Vikings; and

18.18 (2) one-half to the Metropolitan Council for implementation of the public transit
18.19 components of the council's 2030 transportation policy plan, and for other public transit
18.20 operations and capital improvements provided or assisted by the council in counties in the
18.21 metropolitan transportation area.

18.22 (b) When sufficient revenues to complete construction of the stadium and ballpark
18.23 have been raised from the tax under this section, and all other revenues available for
18.24 those projects, the full amount of the revenues from the tax must be used for purposes
18.25 of clause (2).

18.26 Subd. 5. **Stadium financing.** The Metropolitan Sports Facilities Commission must
18.27 allocate the revenues provided under subdivision 4, paragraph (a), clause (1), in a manner
18.28 that provides for timely completion of both sports facilities, with the ballpark having first
18.29 priority in time, and that minimizes the cost of borrowing for construction of the facilities.
18.30 The commission must consult with the Minnesota Twins and the Minnesota Vikings in
18.31 developing the plan for timing of the projects.

18.32 Sec. 3. Minnesota Statutes 2004, section 473.551, subdivision 1, is amended to read:

18.33 Subdivision 1. **Terms.** For the purposes of sections 473.551 to 473.599 and 473.75
18.34 to 473.769, the following terms shall have the meanings given in this section.

18.35 Sec. 4. Minnesota Statutes 2004, section 473.551, subdivision 8, is amended to read:

19.1 Subd. 8. **Sports facility or sports facilities.** "Sports facility" or "sports facilities"
19.2 means real or personal property comprising a stadium, stadiums, or arenas suitable
19.3 for university or major league professional baseball, for university or major league
19.4 professional football and soccer, or for both, or for university or major league hockey or
19.5 basketball, or for both, together with adjacent parking facilities, including on the effective
19.6 date of Laws 1994, chapter 648, the metrodome, the met center, ~~and;~~ upon acquisition by
19.7 the commission, the basketball and hockey arena; the ballpark provided under sections
19.8 473.75 to 473.756; and the stadium provided under sections 473.76 to 473.769.

19.9 Sec. 5. Minnesota Statutes 2004, section 473.551, is amended by adding a subdivision
19.10 to read:

19.11 Subd. 18. **Ballpark.** "Ballpark" is the sports facility located in the city of
19.12 Minneapolis used primarily as a venue for playing major league baseball, constructed and
19.13 financed under sections 473.75 to 473.756.

19.14 Sec. 6. Minnesota Statutes 2004, section 473.551, is amended by adding a subdivision
19.15 to read:

19.16 Subd. 19. **Football stadium.** "Football stadium" is the sports facility located in the
19.17 city of Blaine used primarily as a venue for playing major league professional football,
19.18 constructed and financed under sections 473.76 to 473.769.

19.19 Sec. 7. Minnesota Statutes 2004, section 473.553, subdivision 2, is amended to read:

19.20 Subd. 2. **Membership.** The commission shall consist of ~~six~~ two members;
19.21 appointed by the governor, both of whom must reside in a county other than Anoka or
19.22 Hennepin, one member appointed by the city council of the city in which the stadium is
19.23 located of Blaine, one member appointed by the city council of the city of Minneapolis,
19.24 two members appointed by the Anoka County Board, two members appointed by the
19.25 Hennepin County Board, plus a chair appointed as provided in subdivision 3. The terms
19.26 of all members of the commission on the date of enactment of this act terminate, and
19.27 the terms of all members under this subdivision as amended under this act begin, on
19.28 September 1, 2006. The members appointed by the governor, including the chair, are
19.29 subject to confirmation by the senate.

19.30 Sec. 8. Minnesota Statutes 2004, section 473.553, subdivision 3, is amended to read:

19.31 Subd. 3. **Chair.** The chair shall be appointed by the governor as ~~the ninth~~ a voting
19.32 member and shall meet all of the qualifications of a member, ~~except the chair need~~
19.33 ~~only reside outside the city of Minneapolis.~~ The chair shall preside at all meetings of
19.34 the commission, if present, and shall perform all other duties and functions assigned by

20.1 the commission or by law. The commission may appoint from among its members a
20.2 vice-chair to act for the chair during temporary absence or disability.

20.3 Sec. 9. Minnesota Statutes 2004, section 473.553, subdivision 4, is amended to read:

20.4 Subd. 4. **Qualifications.** A member shall not during a term of office hold the office
20.5 of Metropolitan Council member or be a member of another metropolitan agency or hold
20.6 any judicial office or office of state government. ~~None of the members appointed by the~~
20.7 ~~city council of the city in which the stadium is located shall be an elected public official of~~
20.8 ~~that city or of another political subdivision any part of whose territory is shared with that~~
20.9 ~~city.~~ Each member shall qualify by taking and subscribing the oath of office prescribed by
20.10 the Minnesota Constitution, article V, section 6. The oath, duly certified by the official
20.11 administering it, shall be filed with the chair of the Metropolitan Council.

20.12 Sec. 10. Minnesota Statutes 2004, section 473.553, subdivision 5, is amended to read:

20.13 Subd. 5. **Terms.** The initial terms of three the members appointed by the governor
20.14 and one of the members appointed by each of the county boards in 2006 shall end the
20.15 first Monday in January in the year ending in the numeral "5" 2010. The terms of the
20.16 other members and the chair shall end the first Monday in January ~~in the year ending in~~
20.17 ~~the numeral "7" 2012.~~ Thereafter, the term of each member and the chair shall be four
20.18 years. The terms shall continue until a successor is appointed and qualified. Members
20.19 may be removed only for cause.

20.20 Sec. 11. Minnesota Statutes 2004, section 473.556, subdivision 3, is amended to read:

20.21 Subd. 3. **Acquisition of property.** The commission may acquire by lease, purchase,
20.22 gift, or devise all necessary right, title, and interest in and to real or personal property
20.23 deemed necessary to the purposes contemplated by sections 473.551 to 473.599 and
20.24 473.75 to 473.769 within the limits of the metropolitan area.

20.25 Sec. 12. Minnesota Statutes 2004, section 473.556, subdivision 4, is amended to read:

20.26 Subd. 4. **Exemption of property.** (a) Except as otherwise provided in this
20.27 subdivision, any real or personal property acquired, owned, leased, controlled, used,
20.28 or occupied by the commission for any of the purposes of sections 473.551 to 473.599
20.29 and 473.75 to 473.769 is declared to be acquired, owned, leased, controlled, used and
20.30 occupied for public, governmental, and municipal purposes, and shall be exempt from
20.31 ad valorem taxation by the state or any political subdivision of the state, provided that
20.32 such properties shall be subject to special assessments levied by a political subdivision for
20.33 a local improvement in amounts proportionate to and not exceeding the special benefit
20.34 received by the properties from the improvement. No possible use of any such properties
20.35 in any manner different from their use under sections 473.551 to 473.599 or 473.75 to

21.1 473.769 at the time shall be considered in determining the special benefit received by the
21.2 properties. All assessments shall be subject to final confirmation by the council, whose
21.3 determination of the benefits shall be conclusive upon the political subdivision levying the
21.4 assessment. Notwithstanding the provisions of section 272.01, subdivision 2, or 273.19,
21.5 real or personal property leased by the commission to another person for uses related to
21.6 the purposes of sections 473.551 to 473.599 or 473.75 to 473.769, including the operation
21.7 of the metrodome, met center, and, if acquired by the commission, the basketball and
21.8 hockey arena shall be exempt from taxation regardless of the length of the lease. The
21.9 provisions of this subdivision, insofar as they require exemption or special treatment, shall
21.10 not apply to any real property comprising the met center, the ballpark, or the football
21.11 stadium, which is leased by the commission for residential, business, or commercial
21.12 development or other purposes different from those contemplated in sections 473.551 to
21.13 473.599 or 473.75 to 473.769, as applicable.

21.14 (b) For the football stadium, this exemption includes concessions, suites, locker
21.15 rooms, and clubhouse facilities in the stadium and parking facilities on the stadium site,
21.16 but does not include team offices.

21.17 Sec. 13. Minnesota Statutes 2004, section 473.556, subdivision 5, is amended to read:

21.18 Subd. 5. **Facility operation.** (a) The commission may equip, improve, operate,
21.19 manage, maintain, and control the Metrodome, Met Center, basketball and hockey arena
21.20 and sports facilities constructed, remodeled, or acquired under the provisions of sections
21.21 473.551 to 473.599 and 473.75 to 473.769.

21.22 (b) The authority must seek to promote and maximize the use of the sports facilities
21.23 for uses in addition to that by the team for which it was constructed.

21.24 Sec. 14. Minnesota Statutes 2004, section 473.556, subdivision 6, is amended to read:

21.25 Subd. 6. **Disposition of property.** (a) The commission may sell, lease, or otherwise
21.26 dispose of any real or personal property acquired by it which is no longer required for
21.27 accomplishment of its purposes. The property shall be sold in accordance with the
21.28 procedures provided by section 469.065, insofar as practical and consistent with sections
21.29 473.551 to 473.599 and 473.75 to 473.769, except as provided in paragraph (c).

21.30 (b) The proceeds from the sale of any real property at the metropolitan sports area
21.31 shall be paid to the council and used for debt service or retirement.

21.32 (c) The sale or disposition of property acquired in connection with the ballpark is not
21.33 subject to the requirements of section 469.065, subdivisions 6 and 7. Title to the ballpark
21.34 shall not otherwise be transferred or sold without approval by the legislature.

21.35 Sec. 15. Minnesota Statutes 2004, section 473.556, subdivision 12, is amended to read:

22.1 Subd. 12. **Use agreements.** The commission may lease, license, or enter into
22.2 agreements and may fix, alter, charge, and collect rentals, fees, and charges to all persons
22.3 for the use, occupation, and availability of part or all of any premises, property, or
22.4 facilities under its ownership, operation, or control for purposes that will provide athletic,
22.5 educational, cultural, commercial or other entertainment, instruction, or activity for the
22.6 citizens of the metropolitan area. Any such use agreement may provide that the other
22.7 contracting party shall have exclusive use of the premises at the times agreed upon. The
22.8 agreement related to the ballpark may provide that the other contracting party has the right
22.9 to retain all revenues from ticket sales, suite licenses, concessions, advertising, naming
22.10 rights, and other revenues derived from the ballpark. The lease or use agreement with
22.11 a team using the ballpark shall provide for the payment by the team of operating and
22.12 maintenance costs and expenses and provide other terms the authority and team agree to.

22.13 Sec. 16. Minnesota Statutes 2004, section 473.556, subdivision 17, is amended to read:

22.14 Subd. 17. **Creating a condominium.** The commission may, by itself or together
22.15 with the Minneapolis Community Development Agency and any other person, as to real
22.16 or personal property comprising or appurtenant or ancillary to the basketball and hockey
22.17 arena and the health club, the ballpark, or the football stadium, act as a declarant and
22.18 establish a condominium or leasehold condominium under chapter 515A or a common
22.19 interest community or leasehold common interest community under chapter 515B, and
22.20 may grant, establish, create, or join in other or related easements, agreements and similar
22.21 benefits and burdens that the commission may deem necessary or appropriate, and exercise
22.22 any and all rights and privileges and assume obligations under them as a declarant, unit
22.23 owner or otherwise, insofar as practical and consistent with sections 473.551 to 473.599.
22.24 The commission may be a member of an association and the chair, any commissioners and
22.25 any officers and employees of the commission may serve on the board of an association
22.26 under chapter 515A or 515B.

22.27 Sec. 17. Minnesota Statutes 2004, section 473.556, is amended by adding a subdivision
22.28 to read:

22.29 Subd. 18. **Web site.** The commission shall establish a Web site for purposes of
22.30 providing information to the public concerning all actions taken by the commission. At a
22.31 minimum, the Web site must contain a current version of the commission's bylaws, notices
22.32 of upcoming meetings, minutes of the commission's meetings, and contact telephone and
22.33 fax numbers for public comments.

22.34 Sec. 18. Minnesota Statutes 2004, section 473.561, is amended to read:

22.35 **473.561 EXEMPTION FROM COUNCIL REVIEW.**

23.1 The acquisition and betterment of sports facilities by the commission shall be
23.2 conducted pursuant to sections 473.551 to 473.599 and 473.75 to 473.769 and shall not be
23.3 affected by the provisions of sections 473.165 and 473.173. Minnesota Statutes, section
23.4 116J.994 does not apply to any transactions of the authority or any other governmental
23.5 entity related to the ballpark or its related public infrastructure.

23.6 Sec. 19. [473.5996] PROCEEDS OF METRODOME SALE.

23.7 Upon sale of the Metrodome, the Metropolitan Sports Facilities Commission
23.8 must transfer the net sales proceeds to the Metropolitan Council for use to fund transit
23.9 improvements.

23.10 Sec. 20. REPEALER.

23.11 Minnesota Statutes 2004, section 473.553, subdivision 14, is repealed."

1.1 A bill for an act
 1.2 relating to a ballpark for major league baseball; providing for the financing,
 1.3 construction, operation, and maintenance of the ballpark and related facilities;
 1.4 establishing the Minnesota Ballpark Authority; providing powers and duties
 1.5 of the authority; providing a community ownership option; authorizing
 1.6 Hennepin County to issue bonds and to contribute to ballpark costs and to
 1.7 engage in ballpark and related activities; authorizing local sales and use taxes
 1.8 and revenues; exempting Minnesota State High School League events from
 1.9 sales taxes; requiring the Minnesota State High School League to transfer
 1.10 tax savings to a foundation to promote extracurricular activities; exempting
 1.11 building materials used for certain local government projects from certain taxes;
 1.12 amending Minnesota Statutes 2004, sections 297A.70, subdivision 11; 297A.71,
 1.13 by adding subdivisions; Minnesota Statutes 2005 Supplement, section 10A.01,
 1.14 subdivision 35; repealing Minnesota Statutes 2004, sections 473I.01; 473I.02;
 1.15 473I.03; 473I.04; 473I.05; 473I.06; 473I.07; 473I.08; 473I.09; 473I.10; 473I.11;
 1.16 473I.12; 473I.13.

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

1.18 Section 1. Minnesota Statutes 2005 Supplement, section 10A.01, subdivision 35,
 1.19 is amended to read:

1.20 Subd. 35. **Public official.** "Public official" means any:

- 1.21 (1) member of the legislature;
- 1.22 (2) individual employed by the legislature as secretary of the senate, legislative
 1.23 auditor, chief clerk of the house, revisor of statutes, or researcher, legislative analyst, or
 1.24 attorney in the Office of Senate Counsel and Research or House Research;
- 1.25 (3) constitutional officer in the executive branch and the officer's chief administrative
 1.26 deputy;
- 1 (4) solicitor general or deputy, assistant, or special assistant attorney general;

2.1 (5) commissioner, deputy commissioner, or assistant commissioner of any state
2.2 department or agency as listed in section 15.01 or 15.06, or the state chief information
2.3 officer;

2.4 (6) member, chief administrative officer, or deputy chief administrative officer of a
2.5 state board or commission that has either the power to adopt, amend, or repeal rules under
2.6 chapter 14, or the power to adjudicate contested cases or appeals under chapter 14;

2.7 (7) individual employed in the executive branch who is authorized to adopt, amend,
2.8 or repeal rules under chapter 14 or adjudicate contested cases under chapter 14;

2.9 (8) executive director of the State Board of Investment;

2.10 (9) deputy of any official listed in clauses (7) and (8);

2.11 (10) judge of the Workers' Compensation Court of Appeals;

2.12 (11) administrative law judge or compensation judge in the State Office of
2.13 Administrative Hearings or referee in the Department of Employment and Economic
2.14 Development;

2.15 (12) member, regional administrator, division director, general counsel, or operations
2.16 manager of the Metropolitan Council;

2.17 (13) member or chief administrator of a metropolitan agency;

2.18 (14) director of the Division of Alcohol and Gambling Enforcement in the
2.19 Department of Public Safety;

2.20 (15) member or executive director of the Higher Education Facilities Authority;

2.21 (16) member of the board of directors or president of Minnesota Technology, Inc.; ~~or~~

2.22 (17) member of the board of directors or executive director of the Minnesota State
2.23 High School League; or

2.24 (18) member of the Minnesota Ballpark Authority established in section 7.

2.25 Sec. 2. Minnesota Statutes 2004, section 297A.70, subdivision 11, is amended to read:

2.26 Subd. 11. **School tickets or admissions.** Tickets or admissions to regular season
2.27 school games, events, and activities, and to games, events, and activities sponsored by the
2.28 Minnesota State High School League under chapter 128C, are exempt. For purposes of
2.29 this subdivision, "school" has the meaning given it in section 120A.22, subdivision 4.

2.30 **EFFECTIVE DATE.** This section is effective for sales after June 30, 2006.

2.31 Sec. 3. Minnesota Statutes 2004, section 297A.71, is amended by adding a subdivision
2.32 to read:

2.33 Subd. 37. **Building materials; exemption.** Materials and supplies used or
2.34 consumed in, and equipment incorporated into, the construction or improvement of the

3.1 ballpark and public infrastructure constructed pursuant to sections 6 to 15 are exempt.
3.2 This subdivision expires one year after the date that the first major league baseball game
3.3 is played in the ballpark for materials, supplies, and equipment used in the ballpark, and
3.4 five years after the issuance of the first bonds under section 9 for materials, supplies, and
3.5 equipment used in the public infrastructure.

3.6 Sec. 4. Minnesota Statutes 2004, section 297A.71, is amended by adding a subdivision
3.7 to read:

3.8 Subd. 38. Local government; building materials exemption. Materials and
3.9 supplies used or consumed in, and equipment incorporated into the construction or
3.10 improvement of a building or other capital project by a local government when the
3.11 building or project will be for public purposes is exempt.

3.12 EFFECTIVE DATE. This section is effective for purchases made after June 30,
3.13 2009.

3.14 Sec. 5. HIGH SCHOOL LEAGUE; FUNDS TRANSFER.

3.15 Beginning July 1, 2007, the Minnesota State High School League shall annually
3.16 determine the sales tax savings attributable to Minnesota Statutes, section 297A.70,
3.17 subdivision 11, and annually transfer that amount to a nonprofit charitable foundation
3.18 created for the purpose of promoting high school extracurricular activities. The funds must
3.19 be used by the foundation to make grants to fund, assist, recognize, or promote high school
3.20 students' participation in extracurricular activities. This section expires June 30, 2017.

3.21 Sec. 6. CONSTRUCTION AND FINANCING OF MAJOR LEAGUE
3.22 BALLPARK.

3.23 Subdivision 1. Purpose; findings. The purpose of this act is to provide for the
3.24 construction, financing, and long-term use of a ballpark primarily as a venue for major
3.25 league baseball. It is hereby found and declared that the expenditure of public funds for
3.26 this purpose is necessary and serves a public purpose. It is further found and declared
3.27 that any provision in a lease or use agreement with a major league team, that requires
3.28 the team to play its home games in such a ballpark for the duration of the lease or use
3.29 agreement, serves a unique public purpose for which the remedies of specific performance
3.30 and injunctive relief are essential to its enforcement. It is further found and declared
3.31 that government assistance to facilitate the presence of major league baseball provides
3.32 to Hennepin County, the state of Minnesota, and its citizens highly valued intangible
3.33 benefits that are virtually impossible to quantify and, therefore, not recoverable even if

4.1 the government receives monetary damages in the event of a team's breach of contract.
4.2 Minnesota courts are, therefore, charged with protecting those benefits through the use
4.3 of specific performance and injunctive relief as provided herein and in the lease and
4.4 use agreements.

4.5 Subd. 2. **Definitions.** As used in this act, the following terms have the meanings
4.6 given in this subdivision:

4.7 (a) "Authority" means the Minnesota Ballpark Authority established under section 7.

4.8 (b) "Ballpark" means the stadium suitable for major league baseball to be constructed
4.9 and financed under this act.

4.10 (c) "Ballpark costs" means, unless the context otherwise indicates, the cost of
4.11 designing, constructing, and equipping a ballpark suitable for major league baseball.

4.12 "Ballpark costs" excludes the cost of land acquisition, site improvements, utilities, site
4.13 demolition, environmental remediation, railroad crash wall, site furnishings, landscaping,
4.14 railroad right-of-way development, district energy, site graphics and artwork and other
4.15 site improvements identified by the authority, public infrastructure, capital improvement
4.16 reserves, bond reserves, capitalized interest, and financing costs.

4.17 (d) "County" means Hennepin County.

4.18 (e) "Development area" means the area in the city of Minneapolis bounded
4.19 by marked Interstate Highway 394, vacated Holden Street, the Burlington Northern
4.20 right-of-way, Seventh Street North, Sixth Avenue North, Fifth Street North, the Burlington
4.21 Northern right-of-way, and the Interstate Highway 94 exit ramp.

4.22 (f) "Public infrastructure" means all property, facilities, and improvements
4.23 determined by the authority or the county to facilitate the development and use of
4.24 the ballpark, including but not limited to property and improvements for drainage,
4.25 environmental remediation, parking, roadways, walkways, skyways, pedestrian bridges,
4.26 bicycle paths, and transit improvements to facilitate public access to the ballpark, lighting,
4.27 landscaping, utilities, streets, and streetscapes.

4.28 (g) "Streetscape" means improvements to streets and sidewalks or other public
4.29 right-of-way for the purpose of enhancing the movement, safety, convenience, or
4.30 enjoyment of ballpark patrons and other pedestrians, including decorative lighting and
4.31 surfaces, plantings, display and exhibit space, adornments, seating, and transit and bus
4.32 shelters, which are designated as streetscape by the county.

4.33 (h) "Team" means the owner and operator of the baseball team currently known
4.34 as the Minnesota Twins or any team owned and operated by someone who purchases
4.35 or otherwise takes ownership or control of or reconstitutes the baseball team currently
4.36 known as the Minnesota Twins.

5.1 Subd. 3. **Location.** The ballpark must be located in the city of Minneapolis at a
5.2 site within the development area.

5.3 Subd. 4. **Property tax exemption; special assessments.** Any real or personal
5.4 property acquired, owned, leased, controlled, used, or occupied by the authority or county
5.5 for any of the purposes of this act is declared to be acquired, owned, leased, controlled,
5.6 used, and occupied for public, governmental, and municipal purposes, and is exempt from
5.7 ad valorem taxation by the state or any political subdivision of the state; provided that
5.8 the properties are subject to special assessments levied by a political subdivision for
5.9 a local improvement in amounts proportionate to and not exceeding the special benefit
5.10 received by the properties from the improvement. No possible use of any of the properties
5.11 in any manner different from their use under this act at the time may be considered in
5.12 determining the special benefit received by the properties. Notwithstanding Minnesota
5.13 Statutes, section 272.01, subdivision 2, or 273.19, real or personal property subject to a
5.14 lease or use agreement between the authority or county and another person for uses related
5.15 to the purposes of this act, including the operation of the ballpark and related parking
5.16 facilities, is exempt from taxation regardless of the length of the lease or use agreement.
5.17 This subdivision, insofar as it provides an exemption or special treatment, does not apply
5.18 to any real property that is leased for residential, business, or commercial development or
5.19 other purposes different from those contemplated in this act.

5.20 Subd. 5. **Employees and vendors.** (a) The Minnesota Ballpark Authority shall
5.21 make good faith efforts to have entry-level middle management and upper management
5.22 staffed by minority and female employees. The authority shall also make best efforts to
5.23 employ women and members of minority communities. The authority shall make good
5.24 faith efforts to utilize minority and female-owned businesses in Hennepin County. Best
5.25 efforts shall be made to use vendors of goods and services provided by minority and
5.26 female-owned businesses from Hennepin County.

5.27 (b) The authority shall contract with an employment assistance firm, preferably
5.28 minority owned, to create an employment program to recruit, hire, and retain minorities
5.29 for the stadium facility. The authority shall hold a job fair and recruit and advertise at
5.30 Minneapolis Urban League, Sabathani, American Indian OIC, Youthbuild organizations,
5.31 and other such organizations.

5.32 (c) The authority shall report the efforts made in paragraphs (a) and (b) to the
5.33 attorney general.

5.34 Sec. 7. **MINNESOTA BALLPARK AUTHORITY.**

6.1 Subdivision 1. **Establishment.** To achieve the purposes of this act, the Minnesota
6.2 Ballpark Authority is established as a public body, corporate and politic, and political
6.3 subdivision of the state. The authority is not a joint powers entity or an agency or
6.4 instrumentality of the county.

6.5 Subd. 2. **Composition.** (a) The Minnesota Ballpark Authority shall be governed
6.6 by a commission consisting of:

6.7 (1) two members appointed by the governor;

6.8 (2) two members, including the chair, appointed by the county board; and

6.9 (3) one member appointed by the governing body of the city of Minneapolis.

6.10 (b) All members appointed under paragraph (a), clause (1), serve at the pleasure of
6.11 the governor. All members appointed under paragraph (a), clause (2), serve at the pleasure
6.12 of the county board. The member appointed under paragraph (a), clause (3), serves at the
6.13 pleasure of the governing body of the city of Minneapolis.

6.14 (c) Compensation of members appointed under paragraph (a) is governed by
6.15 Minnesota Statutes, section 15.0575.

6.16 (d) One member appointed under paragraph (a), clause (1), must be a resident of
6.17 a county other than Hennepin. All other members appointed under paragraph (a) must
6.18 be residents of Hennepin County.

6.19 (e) No member of the Minnesota Ballpark Authority may have served as an elected
6.20 official of the city of Minneapolis or Hennepin County for a period of two years prior
6.21 to appointment to the authority.

6.22 (f) The legislature intends that the ballpark be constructed to be operational for
6.23 the team and the public no later than the opening of the 2010 season. Accordingly, the
6.24 appointing authorities must make their appointments to the authority within 30 days
6.25 of enactment of this act, and if the governing bodies of the city of Minneapolis or the
6.26 county should fail to do so, the governor may appoint an interim member to serve until the
6.27 authorized appointment is made. The first meeting of the members shall take place at the
6.28 direction of the chair within 45 days of enactment of this act. Further, the authority must
6.29 proceed with due speed in all of its official organizing activities and in making decisions
6.30 with respect to the development agreement and lease or use agreement authorized by this
6.31 act or any other agreements or matters as necessary to meet the timetables set forth in
6.32 this act. Any three members shall constitute a quorum for the conduct of business and
6.33 action may be taken upon the vote of a majority of members present at a meeting duly
6.34 called and held.

6.35 Subd. 3. **Chair.** The chair shall preside at all meetings of the commission, if
6.36 present, and shall perform all other assigned duties and functions. The commission may

7.1 appoint from among its members a vice-chair to act for the chair during the temporary
7.2 absence or disability of the chair.

7.3 Subd. 4. **Bylaws.** The authority shall adopt bylaws to establish rules of procedure,
7.4 the powers and duties of its officers, and other matters relating to the governance of the
7.5 authority and the exercise of its powers. Except as provided in this section, the bylaws
7.6 adopted under this subdivision shall be similar in form and substance to bylaws adopted
7.7 by the Metropolitan Sports Facilities Commission pursuant to Minnesota Statutes, section
7.8 473.553.

7.9 Subd. 5. **Executive director.** The commission shall appoint an executive director
7.10 to serve as the chief executive officer of the authority, which appointment shall be made
7.11 within 30 days of the first meeting of the members.

7.12 Subd. 6. **Web site.** The authority shall establish a Web site for purposes of
7.13 providing information to the public concerning all actions taken by the authority. At a
7.14 minimum, the Web site must contain a current version of the authority's bylaws, notices
7.15 of upcoming meetings, minutes of the authority's meetings, and contact telephone and
7.16 facsimile numbers for public comments.

7.17 **Sec. 8. POWERS OF AUTHORITY.**

7.18 Subdivision 1. **Actions.** The authority may sue and be sued. The authority is a
7.19 public body and the ballpark and public infrastructure are public improvements within the
7.20 meaning of Minnesota Statutes, chapter 562. The authority is a municipality within the
7.21 meaning of Minnesota Statutes, chapter 466.

7.22 Subd. 2. **Acquisition of property.** The authority may acquire from any public or
7.23 private entity by lease, purchase, gift, or devise all necessary right, title, and interest in
7.24 and to real property, air rights, and personal property deemed necessary to the purposes
7.25 contemplated by this act.

7.26 Subd. 3. **Data practices; open meetings.** Except as otherwise provided in this act,
7.27 the authority is subject to Minnesota Statutes, chapters 13 and 13D.

7.28 Subd. 4. **Facility operation.** The authority may equip, improve, operate, manage,
7.29 maintain, and control the ballpark and related facilities constructed, remodeled, or
7.30 acquired under this act as smoke-free facilities, subject to the rights and obligations
7.31 transferred to and assumed by the team or other user under the terms of a lease or use
7.32 agreement, but in no case may a lease or use agreement permit smoking in the ballpark.

7.33 Subd. 5. **Disposition of property.** The authority may sell, lease, or otherwise
7.34 dispose of any real or personal property acquired by it that is no longer required for
7.35 accomplishment of its purposes. The property may be sold in accordance with the

8.1 procedures provided by Minnesota Statutes, section 469.065, except subdivisions 6 and 7,
8.2 to the extent the authority deems it to be practical and consistent with this act. Title to the
8.3 ballpark shall not be transferred or sold prior to the effective date of enactment of any
8.4 legislation approving such transfer or sale.

8.5 Subd. 6. **Employees; contracts for services.** The authority may employ persons
8.6 and contract for services necessary to carry out its functions, including the utilization of
8.7 employees and consultants retained by other governmental entities. The authority shall
8.8 enter into an agreement with the city of Minneapolis regarding traffic control for the
8.9 ballpark.

8.10 Subd. 7. **Gifts and grants.** The authority may accept monetary contributions,
8.11 property, services, and grants or loans of money or other property from the United States,
8.12 the state, any subdivision of the state, any agency of those entities, or any person for any
8.13 of its purposes, and may enter into any agreement required in connection with them. The
8.14 authority shall hold, use, and dispose of the money, property, or services according to the
8.15 terms of the monetary contributions, grant, loan, or agreement.

8.16 Subd. 8. **Research.** The authority may conduct research studies and programs;
8.17 collect and analyze data; prepare reports, maps, charts, and tables; and conduct all
8.18 necessary hearings and investigations in connection with its functions.

8.19 Subd. 9. **Use agreements.** The authority may lease, license, or enter into use
8.20 agreements and may fix, alter, charge, and collect rentals, fees, and charges for the use,
8.21 occupation, and availability of part or all of any premises, property, or facilities under
8.22 its ownership, operation, or control for purposes that will provide athletic, educational,
8.23 cultural, commercial, or other entertainment, instruction, or activity for the citizens of
8.24 Minnesota and visitors. Any such use agreement may provide that the other contracting
8.25 party has exclusive use of the premises at the times agreed upon, as well as the right to
8.26 retain some or all revenues from ticket sales, suite licenses, concessions, advertising,
8.27 naming rights, and other revenues derived from the ballpark. The lease or use agreement
8.28 with a team shall provide for the payment by the team of operating and maintenance costs
8.29 and expenses and provide other terms the authority and team agree to.

8.30 Subd. 10. **Insurance.** The authority may require any employee to obtain and
8.31 file with it an individual bond or fidelity insurance policy. It may procure insurance in
8.32 the amounts it considers necessary against liability of the authority or its officers and
8.33 employees for personal injury or death and property damage or destruction, consistent
8.34 with Minnesota Statutes, chapter 466, and against risks of damage to or destruction of any
8.35 of its facilities, equipment, or other property.

9.1 Subd. 11. Exemption from council review; business subsidy act. The acquisition
9.2 and betterment of a ballpark by the authority must be conducted pursuant to this act and
9.3 are not subject to Minnesota Statutes, sections 473.165 and 473.173. Minnesota Statutes,
9.4 section 116J.994, does not apply to any transactions of the county, the authority, or other
9.5 governmental entity related to the ballpark or public infrastructure, or to any tenant or
9.6 other users of them.

9.7 Subd. 12. Contracts. The authority may enter into a development agreement with
9.8 the team, the county, or any other entity relating to the construction, financing, and use of
9.9 the ballpark and related facilities and public infrastructure. The authority may contract
9.10 for materials, supplies, and equipment in accordance with section 6, subdivision 5, and
9.11 Minnesota Statutes, section 471.345, except that the authority, with the consent of the
9.12 county, may employ or contract with persons, firms, or corporations to perform one or more
9.13 or all of the functions of architect, engineer, or construction manager with respect to all or
9.14 any part of the ballpark and public infrastructure. Alternatively, at the request of the team
9.15 and with the consent of the county, the authority shall authorize the team to provide for
9.16 the design and construction of the ballpark, subject to terms of this act. The construction
9.17 manager may enter into contracts with contractors for labor, materials, supplies, and
9.18 equipment for the construction of the ballpark through the process of public bidding,
9.19 except that the construction manager may, with the consent of the authority or the team:

9.20 (1) narrow the listing of eligible bidders to those which the construction manager
9.21 determines to possess sufficient expertise to perform the intended functions;

9.22 (2) award contracts to the contractors that the construction manager determines
9.23 provide the best value, which are not required to be the lowest responsible bidder; and

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

9.28 The authority may require that the construction manager shall certify, before the contract
9.29 is finally signed, a fixed and stipulated construction price and completion date to the
9.30 authority and shall post a bond in an amount at least equal to 100 percent of the certified
9.31 price, to cover any costs which may be incurred in excess of the certified price, including
9.32 but not limited to costs incurred by the authority or loss of revenues resulting from
9.33 incomplete construction on the completion date. The authority may secure surety bonds
9.34 as provided in Minnesota Statutes, section 574.26, securing payment of just claims in
9.35 connection with all public work undertaken by it. Persons entitled to the protection of the
9.36 bonds may enforce them as provided in Minnesota Statutes, sections 574.28 to 574.32,

10.1 and shall not be entitled to a lien on any property of the authority under the provisions of
10.2 Minnesota Statutes, sections 514.01 to 514.16. Contracts for construction and operation of
10.3 the ballpark must include programs, including Youthbuild, to provide for participation by
10.4 small, local, women, and minority businesses, and the inclusion of women and people
10.5 of color in the workforces of contractors and ballpark operators. The construction of the
10.6 ballpark is a "project" as that term is defined in Minnesota Statutes 2004, section 177.42,
10.7 subdivision 2, and is subject to the prevailing wage law under Minnesota Statutes 2004,
10.8 sections 177.41 to 177.43.

10.9 Subd. 13. **Incidental powers.** In addition to the powers expressly granted in this
10.10 act, the authority has all powers necessary or incidental thereto.

10.11 Subd. 14. **Review of ballpark design.** The authority must review and approve the
10.12 ballpark implementation committee's recommendations as they relate to the design and
10.13 construction of the ballpark, after the recommendations are approved by the city council
10.14 as provided in section 10.

10.15 **Sec. 9. COUNTY ACTIVITIES; BONDS; TAXES.**

10.16 Subdivision 1. **Activities; contracts.** The county may authorize, by resolution, and
10.17 make one or more grants to the authority for ballpark development and construction,
10.18 public infrastructure, reserves for capital improvements, and other purposes related to the
10.19 ballpark on the terms and conditions agreed to by the county and the authority.

10.20 The amount that the county may grant or expend for ballpark costs shall not exceed
10.21 \$260,000,000. The amount of any grant for capital improvement reserves shall not exceed
10.22 \$1,000,000 annually, subject to annual increases according to an inflation index acceptable
10.23 to the county. The amount of grants or expenditures for land, site improvements, and
10.24 public infrastructure or other costs incidental and necessary to further the purposes of this
10.25 act shall not exceed \$90,000,000, except that the authority to spend money for land,
10.26 site improvements, and public infrastructure is limited to payment of amounts incurred
10.27 or for construction contracts entered into during the five-year period beginning on the
10.28 date of the issuance of the initial series of bonds under this act. Such agreements are
10.29 valid and enforceable notwithstanding that they involve payments in future years and
10.30 they do not constitute a debt of the county within the meaning of any constitutional or
10.31 statutory limitation or for which a referendum is required. The county may acquire by
10.32 purchase, eminent domain, or gift, land, air rights, and other property interests within
10.33 the development area for the ballpark site and public infrastructure and convey it to the
10.34 authority with or without consideration, prepare a site for development as a ballpark, and
10.35 acquire and construct any related public infrastructure. The purchase of property and

11.1 development of public infrastructure financed with revenues under this section is limited
11.2 to infrastructure within the development area or within 1,000 feet of the border of the
11.3 development area. The public infrastructure may include the construction and operation of
11.4 parking facilities within the development area notwithstanding any law imposing limits on
11.5 county parking facilities in the city of Minneapolis. The county may acquire and construct
11.6 property, facilities, and improvements within the stated geographical limits for the
11.7 purpose of drainage and environmental remediation for property within the development
11.8 area, walkways and a pedestrian bridge to link the ballpark to Third Avenue distributor
11.9 ramps, street and road improvements and access easements for the purpose of providing
11.10 access to the ballpark, streetscapes, connections to transit facilities and bicycle trails,
11.11 and any utility modifications which are incidental to any utility modifications within the
11.12 development area. To the extent property parcels or interests acquired are more extensive
11.13 than the public infrastructure requirements, the county may sell or otherwise dispose of
11.14 the excess. The proceeds from sales of excess property must be deposited in the debt
11.15 service reserve fund. The county may review and approve ballpark designs, plans, and
11.16 specifications to the extent provided in a grant agreement and in order to ensure that the
11.17 public purposes of the grant are carried out. The county board may delegate responsibility
11.18 for implementing the terms of an approved grant agreement to the county administrator
11.19 or other designated officers. Public infrastructure designs must optimize area transit
11.20 and bicycle opportunities, including connections to existing trails, as determined by the
11.21 county board. The county may enforce the provisions of any grant agreement by specific
11.22 performance. Except to require compliance with the conditions of the grant or as may
11.23 be mutually agreed to by the county and the authority, the county has no interest in or
11.24 claim to any assets or revenues of the authority. The county may initiate or continue an
11.25 environmental impact statement as the responsible governmental unit under Minnesota
11.26 Statutes, section 116D.04, pay for any costs in connection with the environmental impact
11.27 statement or reimburse others for such costs, and conduct other studies and tests necessary
11.28 to evaluate the suitability of the ballpark site. The county has all powers necessary or
11.29 convenient for those purposes and may enter into any contract for those purposes. The
11.30 county may make expenditures or grants for other costs incidental and necessary to further
11.31 the purposes of this act and may by agreement, reimburse in whole or in part, any entity
11.32 that has granted, loaned, or advanced funds to the county to further the purposes of this
11.33 act. The county shall reimburse a local governmental entity within its jurisdiction or make
11.34 a grant to such a governmental unit for site acquisition, preparation of the site for ballpark
11.35 development, and public infrastructure. Amounts expended by a local governmental unit
11.36 with the proceeds of a grant or under an agreement that provides for reimbursement by the

12.1 county shall not be deemed an expenditure or other use of local governmental resources
12.2 by the governmental unit within the meaning of any law or charter limitation. Exercise by
12.3 the county of its powers under this section shall not affect the amounts that the county is
12.4 otherwise eligible to spend, borrow, tax, or receive under any law.

12.5 It is the intent of the legislature that, except as expressly limited herein, the county
12.6 has the authority to acquire and develop a site for the ballpark, to enter into contracts with
12.7 the authority and other governmental or nongovernmental entities, to appropriate funds,
12.8 and to make employees, consultants, and other revenues available for those purposes.

12.9 Subd. 2. County revenue bonds. The county may, by resolution, authorize, sell,
12.10 and issue revenue bonds to provide funds to make a grant or grants to the authority and
12.11 to finance all or a portion of the costs of site acquisition, site improvements, and other
12.12 activities necessary to prepare a site for development of a ballpark, to construct, improve,
12.13 and maintain the ballpark and to establish and fund any capital improvement reserves, and
12.14 to acquire and construct any related parking facilities and other public infrastructure and
12.15 for other costs incidental and necessary to further the purposes of this act. The county
12.16 may also, by resolution, issue bonds to refund the bonds issued pursuant to this section.
12.17 The bonds must be limited obligations, payable solely from or secured by taxes levied
12.18 under subdivision 3, and any other revenues to become available under this act. The
12.19 bonds may be issued in one or more series and sold without an election. The bonds shall
12.20 be sold in the manner provided by Minnesota Statutes, section 475.60. The bonds shall
12.21 be secured, bear the interest rate or rates or a variable rate, have the rank or priority, be
12.22 executed in the manner, be payable in the manner, mature, and be subject to the defaults,
12.23 redemptions, repurchases, tender options, or other terms, as the county may determine.
12.24 The county may enter into and perform all contracts deemed necessary or desirable by
12.25 it to issue and secure the bonds, including an indenture of trust with a trustee within or
12.26 without the state. The debt represented by the bonds shall not be included in computing
12.27 any debt limitation applicable to the county. Subject to this subdivision, the bonds must be
12.28 issued and sold in the manner provided in Minnesota Statutes, chapter 475. The bonds
12.29 shall recite that they are issued under this act and the recital shall be conclusive as to the
12.30 validity of the bonds and the imposition and pledge of the taxes levied for their payment.
12.31 In anticipation of the issuance of the bonds authorized under this subdivision and the
12.32 collection of taxes levied under subdivision 3, the county may provide funds for the
12.33 purposes authorized by this act through temporary interfund loans from other available
12.34 funds of the county which shall be repaid with interest.

12.35 Subd. 3. Sales and use tax. (a) Notwithstanding Minnesota Statutes, section
12.36 477A.016, or other law, the governing body of the county may by ordinance, impose a

13.1 sales and use tax at the rate of 0.15 percent for the purposes listed in this section. The
13.2 provisions of Minnesota Statutes, section 297A.99, except for subdivisions 2 and 3, apply
13.3 to the imposition, administration, collection, and enforcement of this tax.

13.4 (b) The tax imposed under this section is not included in determining if the total tax
13.5 on lodging in the city of Minneapolis exceeds the maximum allowed tax under Laws 1986,
13.6 chapter 396, section 5, as amended by Laws 2001, First Special Session chapter 5, article
13.7 12, section 87, or in determining a tax that may be imposed under any other limitations.

13.8 Subd. 4. Uses of tax. (a) Revenues received from the tax imposed under subdivision
13.9 3 may be used:

13.10 (1) to pay costs of collection;

13.11 (2) to pay or reimburse or secure the payment of any principal of, premium, or
13.12 interest on bonds issued in accordance with this act;

13.13 (3) to pay costs and make expenditures and grants described in subdivision 1,
13.14 including financing costs related to them;

13.15 (4) to maintain reserves for the foregoing purposes deemed reasonable and
13.16 appropriate by the county; and

13.17 (5) to pay for operating costs of the ballpark authority other than the cost of
13.18 operating or maintaining the ballpark;

13.19 and for no other purpose.

13.20 (b) Revenues from the tax designated for use under paragraph (a), clause (5), must
13.21 be deposited in the operating fund of the ballpark authority.

13.22 (c) After completion of the ballpark and public infrastructure, the tax revenues not
13.23 required for current payments of the expenditures described in clauses (1) to (5) shall be
13.24 used to (i) redeem or defease the bonds and (ii) prepay or establish a fund for payment
13.25 of future obligations under grants or other commitments for future expenditures which
13.26 are permitted by subdivision 1. Upon the redemption or defeasance of the bonds and
13.27 the establishment of reserves adequate to meet such future obligations, the taxes shall
13.28 terminate and shall not be reimposed.

13.29 **Sec. 10. IMPLEMENTATION.**

13.30 Subdivision 1. Environmental review. The county shall be the responsible
13.31 governmental unit for any environmental impact statement for the ballpark and public
13.32 infrastructure prepared under Minnesota Statutes, section 116D.04. Notwithstanding
13.33 Minnesota Statutes, section 116D.04, subdivision 2b, and implementing rules:

13.34 (a) the environmental impact statement shall not be required to consider alternative
13.35 ballpark sites; and

14.1 (b) the environmental impact statement must be determined to be adequate before
14.2 commencing work on the foundation of the ballpark, but the ballpark and public
14.3 infrastructure may otherwise be started and all preliminary and final government decisions
14.4 and actions may be made and taken, including but not limited to acquiring land, obtaining
14.5 financing, imposing the tax under section 9, granting permits or other land use approvals,
14.6 entering into grant, lease, or use agreements, or preparing the site or related public
14.7 infrastructure prior to a determination of the adequacy of the environmental impact
14.8 statement.

14.9 Subd. 2. **Ballpark implementation committee.** A ballpark implementation
14.10 committee shall be established to advise the authority and the county and make
14.11 recommendations on the design and construction of the ballpark and the public
14.12 infrastructure, including street vacation, parking, roadways, walkways, skyways,
14.13 pedestrian bridges, bicycle paths, transit improvements to facilitate public street access
14.14 to the ballpark and integration into the transportation plan for downtown and the region,
14.15 lighting, landscaping, utilities, streets, drainage, and environmental remediation. The
14.16 ballpark implementation committee shall consist of an equal number of members
14.17 appointed by the county and by the city of Minneapolis, the precise number of members to
14.18 be mutually determined by the county and the city. The county board and the city council
14.19 of Minneapolis shall make their respective appointments to the ballpark implementation
14.20 committee within 30 days of enactment. Recommendations of the committee shall be
14.21 forwarded to the city of Minneapolis planning department for an advisory recommendation
14.22 and then to the city council for approval or disapproval.

14.23 Subd. 3. **Site approval; land use jurisdiction.** It is hereby found and declared that
14.24 the development area is the ballpark location and that construction of a ballpark within
14.25 the development area is a permitted use and is consistent with the comprehensive plan of
14.26 the city of Minneapolis and the adopted area plan. The legislature further declares that
14.27 the public purpose served by the ballpark and the speed required for construction of the
14.28 ballpark and public infrastructure does not allow for application of Minnesota Statutes,
14.29 sections 462.351 to 462.361. The exercise by the authority and the county of the powers
14.30 provided in this act shall not be subject to regulation by or the jurisdiction of the city
14.31 of Minneapolis and are not subject to Minnesota Statutes, sections 15.99, 462.351 to
14.32 462.361, Minneapolis City Charter, chapter 13, section 4, or municipal zoning ordinances,
14.33 except as specifically provided in this act.

14.34 Subd. 4. **Public hearing.** The authority and the county shall each hold a public
14.35 hearing on the preliminary design plans for the ballpark and public infrastructure. Such
14.36 hearings may be held separately or jointly by the authority and the county. At least ten

15.1 days' published notice of the hearing shall be given in the official newspaper of the
15.2 county and a newspaper of general circulation in the county. The authority or county,
15.3 as applicable, shall maintain a record of the hearing, including any written statements
15.4 submitted.

15.5 Subd. 5. **City review.** At least 20 days before the hearing, the applicable preliminary
15.6 design plans shall be submitted to the planning department of the city of Minneapolis
15.7 together with a statement generally describing any aspects of the plans which do not
15.8 conform to implementation committee recommendations which have been approved by
15.9 the city council. In addition to the preliminary design plans, there shall be submitted any
15.10 other information generally required by the city of Minneapolis on the standard land use
15.11 application worksheet and checklist. The city may hold a public hearing if it does so
15.12 within 30 days of the submission. Within 20 days after a hearing under subdivision 4, the
15.13 city shall review and approve or disapprove the preliminary design plans on which the
15.14 hearing was held. If the city disapproves the plans, it shall describe specific amendments
15.15 or conditions to the plans that, if adopted, would cause the city to withdraw its disapproval.
15.16 Failure to approve or disapprove the plans in writing within 30 days after the hearing in
15.17 subdivision 4 is deemed to be approval, unless an extension of time is agreed to by the
15.18 city, county, and the authority. If the city disapproves of the plans, the authority and the
15.19 county shall conduct such further reviews as each deem necessary in its sole discretion
15.20 prior to continuing the planning and design process.

15.21 Subd. 6. **Amendments; final design.** The authority must approve final design
15.22 plans for the ballpark or adopt amendments or conditions to the design plans at its sole
15.23 discretion. The county must approve final design plans for the public infrastructure or
15.24 adopt amendments or conditions to the design plans at its sole discretion.

15.25 Subd. 7. **Subdivision requirements.** Any subdivision required in the development
15.26 area shall be subject to the jurisdiction and review procedures of the city of Minneapolis
15.27 established pursuant to Minnesota Statutes, section 462.358, except that the city shall not
15.28 deny or withhold excavation or building permits for the ballpark on the grounds that
15.29 subdivision review and approval has not occurred within the project construction timetable.

15.30 **Sec. 11. CRITERIA AND CONDITIONS.**

15.31 Subdivision 1. **Binding and enforceable.** In developing the ballpark and entering
15.32 into related contracts, the authority must follow and enforce the criteria and conditions in
15.33 subdivisions 2 to 15, provided that a determination by the authority that those criteria or
15.34 conditions have been met under any agreement or otherwise shall be conclusive.

16.1 Subd. 2. Team contributions. The team must agree to contribute \$130,000,000
16.2 toward ballpark costs, less a proportionate share of any amount by which actual ballpark
16.3 costs may be less than a budgeted amount of \$390,000,000. The team contributions must
16.4 be funded in cash during the construction period. The team shall deposit \$45,000,000
16.5 to the construction fund to pay for the first ballpark costs. The balance of the team's
16.6 contribution must be used to pay the last costs of the ballpark construction. In addition to
16.7 any other team contribution, the team must agree to assume and pay when due all cost
16.8 overruns for the ballpark costs that exceed the budget.

16.9 Subd. 3. Reserve for capital improvements. The authority shall require that
16.10 a reserve fund for capital improvements to the ballpark be established and funded
16.11 with annual payments of \$2,000,000, with the team's share of those payments to be
16.12 approximately \$1,000,000, as determined by agreement of the team and county. The
16.13 annual payments shall increase according to an inflation index determined by the authority,
16.14 provided that any portion of the team's contribution that has already been reduced to
16.15 present value shall not increase according to an inflation index. The authority may accept
16.16 contributions from the county or other source for the portion of the funding not required to
16.17 be provided by the team.

16.18 Subd. 4. Lease or use agreements. The authority must agree to a long-term lease
16.19 or use agreement with the team for its use of the ballpark. The team must agree to play
16.20 all regularly scheduled and postseason home games at the ballpark. Preseason games
16.21 may also be scheduled and played at the ballpark. The lease or use agreement must be
16.22 for a term of at least 30 years from the date of ballpark completion. The lease or use
16.23 agreement must include terms for default, termination, and breach of the agreement.
16.24 Recognizing that the presence of major league baseball provides to Hennepin County, the
16.25 state of Minnesota, and its citizens highly valued, intangible benefits that are virtually
16.26 impossible to quantify and, therefore, not recoverable in the event of a team owner's
16.27 breach of contract, the lease and use agreements must provide for specific performance
16.28 and injunctive relief to enforce provisions relating to use of the ballpark for major league
16.29 baseball and must not include escape clauses or buyout provisions. The team must not
16.30 enter into or accept any agreement or requirement with or from Major League Baseball or
16.31 any other entity that is inconsistent with the team's binding commitment to the 30-year
16.32 term of the lease or use agreement or that would in any manner dilute, interfere with, or
16.33 negate the provisions of the lease or use agreement, or of any grant agreement under
16.34 section 9 that includes a specific performance clause, providing for specific performance
16.35 or injunctive relief. The legislature conclusively determines, as a matter of public policy,
16.36 that the lease or use agreement, and any grant agreement under section 9 that includes a

17.1 specific performance clause: (a) explicitly authorize specific performance as a remedy
17.2 for breach; (b) are made for adequate consideration and upon terms which are otherwise
17.3 fair and reasonable; (c) have not been included through sharp practice, misrepresentation,
17.4 or mistake; (d) if specifically enforced, do not cause unreasonable or disproportionate
17.5 hardship or loss to the team or to third parties; and (e) involve performance in such a
17.6 manner and the rendering of services of such a nature and under such circumstances that
17.7 the beneficiary cannot be adequately compensated in damages.

17.8 Subd. 5. **Notice requirement for certain events.** Until 30 years from the date
17.9 of ballpark completion, the team must provide written notice to the authority not less
17.10 than 90 days prior to any action, including any action imposed upon the team by Major
17.11 League Baseball, which would result in a breach or default of provisions of the lease
17.12 or use agreements required to be included under subdivision 4. If this notice provision
17.13 is violated and the team has already breached or been in default under the required
17.14 provisions, the authority, the county, or the state of Minnesota is authorized to specifically
17.15 enforce the lease or use agreement, and Minnesota courts are authorized and directed to
17.16 fashion equitable remedies so that the team may fulfill the conditions of the lease and use
17.17 agreements, including, but not limited to, remedies against major league baseball.

17.18 Subd. 6. **Enforceable financial commitments.** The authority must determine
17.19 before ballpark construction begins that all public and private funding sources for
17.20 construction of the ballpark are included in written agreements. The committed funds
17.21 must be adequate to design, construct, furnish, and equip the ballpark.

17.22 Subd. 7. **Environmental requirements.** The authority must comply with all
17.23 environmental requirements imposed by regulatory agencies for the ballpark, site, and
17.24 structure, except as provided by section 10, subdivision 1.

17.25 Subd. 8. **Right of first refusal.** The lease or use agreement must provide that, prior
17.26 to any planned sale of the team, the team must offer a corporation formed under section
17.27 15 a right of first refusal to purchase the team at the same price and upon the same terms
17.28 and conditions as are contemplated in the intended sale.

17.29 Subd. 9. **Public share upon sale of team.** The lease or use agreement must provide
17.30 that, if the team is sold other than to the county under subdivision 8, after the effective
17.31 date of this act, a portion of the sale price must be paid to the county and used to defease
17.32 the bonds issued under section 9, subdivision 2. The portion required to be so paid to the
17.33 county is 18 percent of the gross sale price. Any portion remaining after the defease of the
17.34 bonds must be paid to the authority and deposited in a reserve fund for improvements to
17.35 the ballpark or expended as otherwise directed by the authority.

18.1 Subd. 10. Access to books and records. The lease or use agreement must provide
18.2 the authority access to annual audited financial statements of the team and other financial
18.3 books and records that the authority deems necessary to determine compliance by the
18.4 team with this act and to enforce the terms of any lease or use agreements entered into
18.5 under this act. Any financial information obtained by the authority under this subdivision
18.6 is nonpublic data under Minnesota Statutes, section 13.02, subdivision 9.

18.7 Subd. 11. Affordable access. To the extent determined by the authority or required
18.8 by a grant agreement, any lease or use agreement must provide for affordable access to the
18.9 professional sporting events held in the ballpark.

18.10 Subd. 12. No strikes; lockouts. The authority must negotiate a public sector project
18.11 labor agreement or other agreement to prevent strikes and lockouts that would halt, delay,
18.12 or impede construction of the ballpark and related facilities.

18.13 Subd. 13. Youth and amateur sports. The lease or use agreement must require that
18.14 the team provide or cause to be provided \$250,000 annually for the term of the agreement
18.15 for youth activities and amateur sports without reducing the amounts otherwise normally
18.16 provided for and on behalf of the team for those purposes. The amounts shall increase
18.17 according to an inflation factor not to exceed 2.5 percent annually and may be subject to a
18.18 condition that the county fund grants for similar purposes.

18.19 Subd. 14. Name retention. The lease or use agreement must provide that the
18.20 team and league will transfer to the state of Minnesota the Minnesota Twins' heritage
18.21 and records, including the name, logo, colors, history, playing records, trophies, and
18.22 memorabilia in the event of any dissolution or relocation of the Twins franchise.

18.23 Subd. 15. Agreement with major league baseball. The authority shall enter into
18.24 an agreement with major league baseball guaranteeing the continuance of the Minnesota
18.25 Twins in the area for the period of the agreements referred to in subdivision 4.

18.26 **Sec. 12. METROPOLITAN SPORTS FACILITIES COMMISSION.**

18.27 The Metropolitan Sports Facilities Commission may authorize, by resolution,
18.28 technical, professional, or financial assistance to the county and authority for the
18.29 development and operation of the ballpark upon such terms and conditions as the county
18.30 or authority and the Metropolitan Sports Facilities Commission may agree, including
18.31 reimbursement of financial assistance from the proceeds of the bonds authorized in this
18.32 chapter. Without limiting the foregoing permissive powers, the Metropolitan Sports
18.33 Facilities Commission shall transfer \$300,000 from its cash reserves to the county on
18.34 or prior to January 1, 2007, for use in connection with preliminary ballpark and public

19.1 infrastructure costs, which amount shall be repaid by the county from collections of the
19.2 tax authorized by section 9, if any.

19.3 **Sec. 13. CITY REQUIREMENTS.**

19.4 Subdivision 1. **Land conveyance.** At the request of the authority or county, the city
19.5 of Minneapolis shall convey to the authority or county, as applicable, at fair market value
19.6 all real property it owns that is located in the development area and is not currently used
19.7 for road, sidewalk, or utility purposes and that the authority or county determines to be
19.8 necessary for ballpark or public infrastructure purposes.

19.9 Subd. 2. **Liquor licenses.** At the request of the authority, the city of Minneapolis
19.10 shall issue intoxicating liquor licenses that are reasonably requested for the premises of the
19.11 ballpark. These licenses are in addition to the number authorized by law. All provisions of
19.12 Minnesota Statutes, chapter 340A, not inconsistent with this section apply to the licenses
19.13 authorized under this subdivision.

19.14 Subd. 3. **Charter limitations.** Actions taken by the city of Minneapolis under this
19.15 act in a planning or regulatory capacity, actions for which fair market value reimbursement
19.16 is provided or for which standard fees are collected, and any tax exemptions established
19.17 under this act shall not be deemed to be an expenditure or other use of city resources
19.18 within the meaning of any charter limitation.

19.19 **Sec. 14. LOCAL TAXES.**

19.20 No new or additional local sales or use tax shall be imposed on sales at the ballpark
19.21 site unless the tax is applicable throughout the taxing jurisdiction. No new or additional
19.22 local tax shall be imposed on sales of tickets and admissions to baseball events at the
19.23 ballpark, notwithstanding any law or ordinance, unless the tax is applicable throughout
19.24 the taxing jurisdiction. The admissions and amusements tax currently imposed by the
19.25 city of Minneapolis pursuant to Laws 1969, chapter 1092, may apply to admissions for
19.26 baseball events at the ballpark.

19.27 **Sec. 15. COMMUNITY OWNERSHIP.**

19.28 Subdivision 1. **Purpose.** The legislature determines that:

19.29 (1) a professional baseball franchise is an important asset to the state of Minnesota
19.30 and ensuring that a franchise remains in Minnesota is an important public purpose;

19.31 (2) providing broad-based local ownership of a major league baseball franchise
19.32 develops trust among fans, taxpayers, and the team, and helps ensure this important asset
19.33 will remain in the state;

20.1 (3) providing community ownership of a professional baseball franchise ensures that
20.2 the financial benefits of any increased value of the franchise will accrue to those members
20.3 of the community who own the franchise; and

20.4 (4) enacting legislation providing for community ownership indicates to major
20.5 league baseball continuing support for professional baseball in Minnesota.

20.6 Subd. 2. Acquisition. Subject to the rules of major league baseball, the governor
20.7 and the Metropolitan Sports Facilities Commission must attempt to facilitate the formation
20.8 of a corporation to acquire the baseball franchise and to identify an individual private
20.9 managing owner of the corporation. The corporation formed to acquire the franchise shall
20.10 have a capital structure in compliance with all of the following provisions:

20.11 (1) there may be two classes of capital stock: common stock and preferred stock.
20.12 Both classes of stock must give holders voting rights with respect to any relocation or
20.13 voluntary contraction of the franchise;

20.14 (2) the private managing owner must own no less than 25 percent and no more than
20.15 35 percent of the common stock. For purposes of this restriction, shares of common stock
20.16 owned by the private managing owner include shares of common stock owned by any
20.17 related taxpayer as defined in section 1313(c) of the Internal Revenue Code of 1986, as
20.18 amended. Other than the rights of all other holders of common stock and preferred stock
20.19 with respect to relocation or voluntary contraction of the franchise, the private managing
20.20 owner must control all aspects of the operation of the corporation;

20.21 (3) other than the private managing owner, no individual or entity may own more
20.22 than five percent of the common stock of the corporation;

20.23 (4) at least 50 percent of the ownership of the common stock must be sold to
20.24 members of the general public in a general solicitation and a person or entity must not
20.25 own more than one percent of common stock of the corporation; and

20.26 (5) the articles of incorporation, bylaws, and other governing documents must
20.27 provide that the franchise may not move outside of the state or agree to voluntary
20.28 contraction without approval of at least 75 percent of the shares of common stock and at
20.29 least 75 percent of the shares of preferred stock. Notwithstanding any law to the contrary,
20.30 these 75 percent approval requirements shall not be amended by the shareholders or
20.31 by any other means.

20.32 Except as specifically provided by this act, no state agency may spend money from
20.33 any state fund for the purpose of generating revenue under this subdivision or for the
20.34 purpose of providing operating support or defraying operating losses of a professional
20.35 baseball franchise.

21.1 Sec. 16. **REVISOR'S INSTRUCTION.**

21.2 The revisor of statutes shall codify the provisions of this act in the next edition of
2 Minnesota Statutes.

21.4 Sec. 17. **REPEALER.**

21.5 Minnesota Statutes 2004, sections 473I.01; 473I.02; 473I.03; 473I.04; 473I.05;
21.6 473I.06; 473I.07; 473I.08; 473I.09; 473I.10; 473I.11; 473I.12; and 473I.13, are repealed.

21.7 Sec. 18. **EFFECTIVE DATE.**

21.8 Sections 1, 3, and 6 to 17 are effective the day following final enactment.

473I.01 DEFINITIONS.

Subdivision 1. **Application.** The definitions in this section apply to sections 473I.01 to 473I.13.

Subd. 2. **Municipality.** "Municipality" means a statutory or home rule charter city in the metropolitan area, as defined in section 473.121, subdivision 2.

Subd. 3. **Commission.** "Commission" means the Metropolitan Sports Facilities Commission as defined in section 473.551.

Subd. 4. **Commissioner.** "Commissioner" means the commissioner of finance.

473I.02 SITE SELECTION FOR BASEBALL PARK.

In selecting a site to be proposed to the team for the new baseball park, the municipality shall consider at least the following:

- (1) the adequacy of the size of the site relative to the preferred design for the baseball park;
- (2) the adequacy of existing public infrastructure serving the site, including parking and highway, road, and transit access, to meet the demands created by events at the baseball park in combination with other uses or events in the area that create traffic, transit, or parking demands;
- (3) the costs of any likely infrastructure improvements for the facility;
- (4) potential development advantages, including development of compatible mixed use, commercial, and housing developments, in the area surrounding the baseball park;
- (5) compatibility of surrounding uses with the baseball park; and
- (6) appropriate aesthetic considerations.

473I.03 PRECONDITIONS TO ISSUING BONDS.

Subdivision 1. **Money available.** Before issuing bonds under section 473I.06, the commissioner must determine that:

(1) \$120,000,000 in cash from the team or other private sources has been paid to the commissioner for deposit in a construction account for leasehold improvement of the baseball park;

(2) the municipality and the team have agreed to make payments on the ballpark loan, to be credited to the baseball park debt service account under section 473I.04, at the times and in the amounts provided in the loan agreement, but not less than \$12,000,000 per year unless the commissioner of finance determines otherwise;

(3) the revenues pledged to pay principal and interest on the bonds will be sufficient to make all debt service payments as they come due and make the bonds marketable;

(4) the bid demonstrates the financial capacity of the municipality to make the annual payments under and satisfy any other conditions of the loan under section 473I.05; and

(5) the other conditions required in this section have been met.

Subd. 2. **Major league baseball guaranty.** The commissioner of finance determines that the major league of which the baseball team is a member and major league baseball have both executed an agreement with the city that guarantees the continuance of a major league franchise in the metropolitan area for the greater of (1) 30 years from the date of the agreement or (2) the term of the bonds under sections 473I.06 and 473I.11.

Subd. 3. **Baseball economic reform.** (a) The executive council shall review information from major league baseball and assess:

(1) whether major league baseball and the major league baseball players' association are making a good faith effort to agree upon a new economic system for major league baseball to enhance the competitiveness of small market teams; and

(2) the prospects for adoption of changes to major league baseball providing increased revenues for small market teams and enhancing the viability of a new baseball park.

(b) The executive council shall assess whether, in its opinion, there is reasonable basis for concluding that major league baseball and the major league baseball players' association will agree to a system in the foreseeable future, which, after full implementation and considering all of its elements, will reduce the disparity in team revenues.

(c) The commissioner may issue bonds under section 473I.06 only after the executive council determines that there are reasonable prospects for changes in the revenue sharing structure of major league baseball that will provide sufficient revenues for the major league baseball team to make the proposed baseball park a financially viable facility for the term of the bonds to be issued under sections 473I.06 and 473I.11. The executive council must make the determination

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within 30 days after a referendum conducted under section 473I.07, subdivision 2, has passed, but no later than September 30, 2002. The determination of the executive council under this paragraph is conclusive and is not subject to judicial review.

Subd. 4. **Construction of baseball park; maximum price.** The municipality must have executed agreements that provide for the construction of a roof-ready baseball park to be owned by the municipality for a guaranteed maximum price not to exceed \$330,000,000, and that require performance bonds in an amount at least equal to 100 percent of the guaranteed maximum price to cover any costs incurred over and above the guaranteed maximum price, including, but not limited to, costs incurred by the municipality and loss of revenues resulting from incomplete construction on the substantial completion date. The major league baseball team is responsible for and must pay all cost overruns.

Subd. 5. **Construction of baseball park; labor and materials.** The municipality must have entered into an agreement with the major league baseball team that the major league baseball team has the following obligations during the period of construction of the baseball park:

(1) the payment of the prevailing wage rate as defined in section 177.42 to all construction workers;

(2) the provision to the municipality of a signed agreement between the major league baseball team and the construction unions that will work on the baseball park that mandates a no-strike and no-lockout period during construction of the baseball park; and

(3) all construction materials for the baseball park produced from or containing steel, so far as practicable, must use steel produced in the United States from taconite produced in Minnesota.

Subd. 6. **Socially disadvantaged persons.** The major league baseball team must have entered into an agreement with the municipality to make all reasonable efforts to ensure that businesses owned by socially disadvantaged persons are awarded contracts for construction and operation of the baseball park in proportion to the number of qualified businesses owned by socially disadvantaged persons in the metropolitan area. The agreement must provide that the team will make all reasonable efforts to ensure that employment of socially disadvantaged persons for the construction or operation of the baseball park will be proportionate to the number of qualified workers who are socially disadvantaged persons in the metropolitan area. For the purposes of this subdivision, "socially disadvantaged persons" is as defined in Minnesota Rules, part 1230.0150, subpart 24. The municipality must report to the legislature annually on the implementation of this subdivision.

Subd. 7. **Use agreement; team.** The municipality must have entered into a use agreement with the major league baseball team that provides:

(1) the major league baseball team will use the baseball park for all scheduled home preseason, regular season, and postseason games that the major league baseball team is entitled to play at home for not less than 30 years without an escape clause for the major league baseball team;

(2) the baseball park will be available on nongame days for potential use by the University of Minnesota, Minnesota State Colleges and Universities, private colleges and universities, the State High School League, the municipality for community events, and the Minnesota Amateur Sports Commission;

(3) the major league baseball team will ensure that a portion of the tickets for its games are accessible and affordable;

(4) the major league baseball team and the municipality will cooperate in maintaining the facility as a smoke-free facility;

(5) an American flag manufactured in the United States will be publicly displayed at all baseball games and other events conducted at the baseball park;

(6) the major league baseball team will receive all revenue generated at the stadium, except as otherwise specifically provided in this section;

(7) a listing of all revenue streams generated from use of the baseball park with a specification of what revenues are available to cover the major league baseball team operations, what revenues accrue to the municipality, and what revenues are available to repay the bonds;

(8) the major league baseball team is responsible for repair, maintenance, and replacement of equipment or property in the baseball park, including inspections by the municipality and a representative of the state, as rent;

(9) the agreement must afford to the municipality the rights and remedies at law and equity that are deemed necessary and appropriate to provide reasonable assurance that the baseball team and the owner will comply with the agreements through the 30-year term. The remedies must include specific performance and injunctive relief and may include any other equitable remedies, and any additional remedies or ownership, voting, or other security arrangements the municipality reasonably determines to be effective in ensuring the baseball team will play the required games in the baseball park throughout the 30-year term. The legislature finds that a material breach of an

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agreement between a municipality and a professional athletic team that commits to the long-term playing of major league games at public facilities causes irreparable harm for which no adequate remedy at law is available and that the grant of equitable relief to remedy the breach is in the public interest and shall be liberally so construed;

(10) that transfer of any portion of ownership or equity in the major league baseball team does not change any obligations, responsibilities, or privileges under the agreement, this section, or section 473I.07; and

(11) if there is a sale or transfer of ownership of the major league baseball team, the owner of the team will pay to the state an amount equal to the state's share of the appreciated value of the team. The state's share must be based on the value of the state investment in the baseball park and must be determined according to a formula included in the use agreement.

Subd. 8. **Community ownership of team.** The owner of the team must attempt to reach an agreement on the sale of a majority interest in the team to one or more buyers who will keep the team in this state before attempting to sell the majority interest to others.

Subd. 9. **Use of team name and logo.** The major league baseball team must have entered into an agreement with the municipality under which the municipality will obtain from the team the rights to the control and use of the team name and logo if the team relocates to another state. Under the agreement, the team must notify the municipality within 24 hours of signing an agreement to relocate, and at midnight immediately following notification, all income from existing contracts for the use of the team name and logo and all team property with the team name and logo, other than personal property of team members and principals, will become the property of the municipality. This agreement and the requirement that it be entered into may not be construed as authorizing or permitting the team to relocate before the end of the lease and use agreements with the municipality.

Subd. 10. **Compliance with discovery orders.** The commissioner of finance determines with regard to a case in Hennepin County District Court, entitled Metropolitan Sports Facilities Commission v. Minnesota Twins Partnership and Major League Baseball, No. 0116998 (Hennepin County District Court), that one of the following has occurred:

(1) disclosure to the Metropolitan Sports Facilities Commission by the Minnesota Twins and the office of the commissioner of major league baseball of all documents relating to the Twins' finances, including tax records of the team and its owners, deals between the commissioner and the Twins' owner, contraction plans developed by team owners, and all other documents covered by all applicable discovery orders issued by the Hennepin County District Court;

(2) the Hennepin County District Court approves a settlement agreement signed by the metropolitan sports facilities commission and the Minnesota Twins; or

(3) the court has dismissed the case.

473I.04 SPORTS FACILITIES FUND.

Subdivision 1. **Creation.** The sports facilities fund is established as a special account in the state treasury.

Subd. 2. **Baseball park revenue bond proceeds account.** A baseball park revenue bond proceeds account is established in the sports facilities fund. The proceeds of any bonds issued under section 473I.06 must be credited to the account. The amount necessary to make the loan under section 473I.05 is appropriated from the account to the commissioner.

Subd. 3. **Baseball park debt service account.** (a) A baseball park debt service account is established in the sports facilities fund. The assets of the account and its investment earnings are pledged to and may only be used to pay principal and interest on bonds issued under section 473I.06.

(b) The State Board of Investment shall contract with the investment advisors specified by the team to invest money in the endowment account. The account must be invested in authorized investments under section 11A.24, except (1) corporate obligations described in section 11A.24, subdivision 3, paragraph (b), and (2) investments described in section 11A.24, subdivision 6, paragraph (a), clauses (1) to (4).

(c) The commissioner shall review the investment performance of the account at the end of the second year after the baseball park begins operations and every four years thereafter. The commissioner shall require the owner of the baseball park to impose a surcharge on admissions to events at the baseball park, in one-half of one percent increments, not to exceed five percent, in an amount sufficient to equal the money that would be in the fund, if an 8.5 percent annual rate of return had been earned. Notwithstanding the preceding sentence, the commissioner shall set the required rate of return for the first four years after the account is established. If the rate of return on the fund during the period exceeded 8.5 percent, the commissioner may use the excess to retire

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or defease the bonds. In making the determination under this paragraph, the commissioner must assume that the municipality has timely made all payments required under the loan agreement, regardless of whether the payments were made.

(d) In addition, the commissioner may require, as part of the loan agreement, that the municipality exercise its authority under section 473I.07 to provide money to the commissioner to make up any deficiency that is not eliminated under paragraph (c). The municipality may recover from the team any payments made under this paragraph.

(e) Money in the debt service account is appropriated to the commissioner to pay principal and interest on bonds issued under section 473I.06.

473I.05 LOAN AGREEMENT.

After making the determinations required by section 473I.03, the commissioner shall provide a loan to the municipality from money in the baseball park bond proceeds account, in an amount up to \$330,000,000. The proceeds of the loan must be used by the municipality to acquire and prepare a site for and to design, construct, furnish, and equip the baseball park. The commissioner shall specify the terms of the loan agreement.

473I.06 BASEBALL PARK REVENUE BONDS.

Subdivision 1. **Purposes.** After making the determinations required by section 473I.03, the commissioner may sell and issue revenue bonds to make the loan to the municipality, to establish a reserve fund or funds, and to pay the cost of issuance of the bonds.

Subd. 2. **Amount.** The principal amount of the bonds issued for the purposes specified in subdivision 1 must not exceed \$330,000,000. The commissioner shall deposit an amount of the proceeds equal to the contributions under section 473I.03, subdivision 1, clause (1), from the team and other private sources, in the baseball debt service account.

Subd. 3. **Procedure.** The commissioner may sell and issue the bonds on the terms and conditions the commissioner determines to be in the best interests of the state. The bonds may be sold at public or private sale. The commissioner may enter any agreements or pledges the commissioner determines necessary or useful to sell the bonds that are not inconsistent with sections 473I.01 to 473I.07. Sections 16A.672 to 16A.675 apply to the bonds. The metropolitan sports facilities commission shall transfer an amount, not to exceed one percent of the principal amount of the bonds, from its accumulated reserves to the commissioner to pay for the cost of issuance of the bonds.

Subd. 4. **Revenue sources.** The bonds are payable only from the following sources:

- (1) the principal and any investment earnings on the assets of the debt service account;
- (2) payments of the municipality and team under the loan made by the commissioner; and
- (3) other revenues pledged to the payment of the bonds.

Subd. 5. **Refunding bonds.** The commissioner may issue bonds to refund outstanding bonds issued under subdivision 1, including the payment of any redemption premiums on the bonds and any interest accrued or to accrue to the first redemption date after delivery of the refunding bonds. The proceeds of the refunding bonds may, in the discretion of the commissioner, be applied to the purchases or payment at maturity of the bonds to be refunded, or the redemption of the outstanding bonds on the first redemption date after delivery of the refunding bonds and may, until so used, be placed in escrow to be applied to the purchase, retirement, or redemption. Refunding bonds issued under this subdivision must be issued and secured in the manner provided by the commissioner.

Subd. 6. **Not a general or moral obligation.** Bonds issued under this section are not public debt, and the full faith, credit, and taxing powers of the state are not pledged for their payment. The bonds may not be paid, directly in whole or part from a tax of statewide application on any class of property, income, transaction, or privilege. Payment of the bonds is limited to the revenues explicitly authorized to be pledged under this section and section 473I.07 and the legislature intends that no state money will be used to pay the bonds. The state neither makes nor has a moral obligation to pay the bonds, if the pledged revenues and other legal security for them is insufficient.

Subd. 7. **Trustee.** The commissioner may contract with and appoint a trustee for bond holders. The trustee has the powers and authority vested in it by the commissioner under the bond and trust indentures.

Subd. 8. **Pledges.** Any pledge made by the commissioner is valid and binding from the time the pledge is made. The money or property pledged and later received by the commissioner is immediately subject to the lien of the pledge without any physical delivery of the property or

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money or further act, and the lien of any pledge is valid and binding as against all parties having claims of any kind in tort, contract, or otherwise against the commissioner, whether or not those parties have notice of the lien or pledge. Neither the order nor any other instrument by which a pledge is created need be recorded.

Subd. 9. **Bonds; purchase and cancellation.** The commissioner, subject to agreements with bondholders that may then exist, may, out of any money available for the purpose, purchase bonds of the commissioner at a price not exceeding (1) if the bonds are then redeemable, the redemption price then applicable plus accrued interest to the next interest payment date thereon, or (2) if the bonds are not redeemable, the redemption price applicable on the first date after the purchase upon which the bonds become subject to redemption plus accrued interest to that date.

Subd. 10. **State pledge against impairment of contracts.** The state pledges and agrees with the holders of any bonds that the state will not limit or alter the rights vested in the commissioner to fulfill the terms of any agreements made with the bondholders, or in any way impair the rights and remedies of the holders until the bonds, together with interest on them, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of the bondholders, are fully met and discharged. The commissioner may include this pledge and agreement of the state in any agreement with the holders of bonds issued under this section.

473I.07 LOCAL TAXING AUTHORITY.

Subdivision 1. **Use of proceeds.** (a) Subject to the restrictions in this section, the municipality may impose one or more of the taxes under this section to make the payments or meet other obligations under the loan agreement under section 473I.05. The taxes authorized in this section are in addition to taxes authorized under other law. The municipality may repay the state ballpark loan using only revenues from the ballpark and the taxes imposed under this section.

(b) The municipality may not use property taxes or other money, other than ballpark revenues and taxes imposed under this section, to pay for the cost of acquiring, improving, or operating the ballpark. The municipality may not expend more than \$50,000,000 for the cost of public infrastructure related to the ballpark. Public infrastructure related to the ballpark means parking, street improvements, interstate highway connections, sewer, water, and other utilities that are required under an agreement with the major league baseball team or as condition for financing of the baseball park.

(c) If the commissioner determines the money in the debt service accounts is sufficient to pay the bonds in full, the commissioner shall order a temporary or permanent reduction in the taxes imposed under subdivisions 5, 6, and 7 in the order of priority and as the commissioner determines appropriate.

Subd. 2. **Referendum.** (a) Before the municipality imposes a tax under subdivision 5 or 6, the imposition of the tax must be approved by the voters of the municipality at an election held on a Tuesday before September 30, 2002.

(b) Notwithstanding any statute, charter provision, or other law to the contrary, if the tax is approved in a referendum under this subdivision, an ordinance enacting the tax or authorizing expenditures of the proceeds of the tax is not subject to another vote of the electorate by referendum, initiative, charter amendment, or in any other manner.

Subd. 3. **Expiration; local option taxes.** When the bonds issued under section 473I.06 have been defeased or retired, subdivisions 4 to 7 and the taxes authorized by them expire.

Subd. 4. **Baseball park admission tax.** Notwithstanding any other law and only upon the request of the commissioner under section 473I.04, subdivision 3, paragraph (c), the city shall impose an admission tax of up to five percent of the sale price upon the granting, issuance, sale, or distribution, by any private or public person, association, or corporation, of the privilege of admission to activities at the baseball park. No other tax, surcharge, or governmental imposition, except the taxes collected under chapter 297A, may be levied by any other unit of government upon the sale or distribution.

The admission tax must be stated and charged separately from the sales price so far as practicable and must be collected by the grantor, seller, or distributor from the person admitted. The admission tax collected must be used for repayment of the bonds issued under section 473I.06 or to pay for improvements to the baseball park. The tax is a debt from that person to the grantor, issuer, seller, or distributor, and the tax required to be collected is a debt owed by the grantor, issuer, seller, or distributor to the municipality, recoverable at law in the same manner as other debts. Every person granting, issuing, selling, or distributing tickets for admissions to the ballpark may be required to secure a permit, to file returns, to deposit security for the payment of the tax,

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and to pay the penalties for nonpayment and interest on late payments, as deemed necessary or expedient to ensure the prompt and uniform collection of the tax.

Subd. 5. **Food and beverage taxes.** Notwithstanding section 477A.016, or any other limitation of law or charter, the municipality may by ordinance impose taxes on sales of food, as defined in section 297A.61, subdivision 31, and alcoholic beverages, as defined in section 297G.01, not to exceed five percent at a retail level on any business within the municipality. The municipality may impose this tax on all or part of the municipality, as provided in the ordinance. The ordinance must provide for dedication of the taxes or fees, after payment of collection and administrative expenses and refunds, to payment of principal and interest on bonds issued for the baseball park.

Subd. 6. **Lodging tax.** Notwithstanding section 477A.016, or any other limitation of law or charter to the contrary, the municipality may impose, by ordinance, a lodging tax at a rate of no more than five percent on the gross receipts from the furnishing for consideration of lodging as described in section 469.190, subdivision 1. The municipality may impose this tax on all or part of the municipality, as provided in the ordinance and may provide for exempting hotels or motels based on the number of rooms they have available. The ordinance must provide for dedication of the taxes and other income from the tax, after payment of collection and administrative expenses and refunds, to payment of the principal and interest on bonds issued for the baseball park.

Subd. 7. **Parking tax, surcharge, or both.** The municipality may, by ordinance, impose a parking tax or surcharge or both of not less than \$2 per vehicle per event at the baseball park. The parking tax and surcharge apply to public and privately owned parking facilities in the area that the municipality determines in its ordinance provide event parking for the baseball park. The ordinance must provide for dedication of the taxes and other income from the tax, after payment of collection and administrative expenses and refunds, to payment of the principal and interest on bonds issued for the baseball park.

473I.08 DESIGN AND CONSTRUCTION.

The major league professional baseball team shall design and construct the baseball park. Before the design process is complete and construction begins, the municipality and the team must hold at least one public hearing on the proposed design. All money paid to the municipality under section 473I.05 must be managed by the municipality and made available to the team as the team deems necessary for construction purposes.

473I.09 BASEBALL PARK; LIQUOR LICENSE.

The city in which the baseball park is located may issue an intoxicating liquor license for the premises of the baseball park. This license is in addition to the number authorized by law. All provisions of chapter 340A not inconsistent with this section apply to the license authorized under this section.

473I.10 CONDOMINIUM.

The municipality selected to be the location of the baseball park may, by itself or together with another owner, and any other public or private person or entity, as to real or personal property comprising or appurtenant or ancillary to the baseball park, act as a declarant and establish a condominium or leasehold condominium under chapter 515A or as a common interest community or leasehold common interest community under chapter 515B, and may grant, establish, create, or join in other or related easements, agreements, and similar benefits and burdens that the municipality may deem necessary or appropriate, and may exercise any and all rights and privileges, and assume obligations under them as a declarant, unit owner, or otherwise, insofar as practical and consistent with this section. The municipality may be a member of an association and the chair, any members of its governing body, and any officers and employees of the municipality may serve on the board of an association under chapter 515A or 515B.

473I.11 ALTERNATIVE BONDING AUTHORITY.

Subdivision 1. **Commissioner determination.** If the commissioner determines that all or a portion of the bonds could be issued by the municipality at a lower rate of interest than the bonds under section 473I.06, the municipality that is the site for the baseball park may issue a portion of the bonds under this section and chapter 475. The commissioner shall file the determination, in writing, with the secretary of state and the provisions of section 473.553, subdivision 14, take effect.

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Subd. 2. **Alternative ownership of ballpark.** (a) If the commissioner determines to authorize the municipality to issue bonds under this section:

(1) the ownership of the baseball park must be in the commission; and

(2) the commission has all of the powers and responsibilities of the municipality under the provisions of sections 473I.03; 473I.04; 473I.05; 473I.06; 473I.07, subdivision 4; 473I.08; and 473I.10.

(b) The commission shall segregate and maintain separate accounts and records of the revenue and expenditures for the baseball park and may not use baseball park money for its operations and costs related to other sports facilities.

Subd. 3. **Authorization reduction.** The principal amount of any bonds issued under this section must be deducted from the principal amount of the bonds authorized under section 473I.06.

Subd. 4. **Taxability.** The bonds must be issued as tax-exempt revenue bonds.

Subd. 5. **Procedure.** If the municipality issues bonds under this section, the bonds must be sold, issued, and secured in the manner provided in chapter 475 for bonds payable solely from revenues and the municipality has the same powers and duties as a municipality and its governing body in issuing bonds under that chapter. The bonds may be sold at any price and at public or private sale as determined by the municipality. The bonds may be sold in one or more series. Different series may be backed by different revenue sources. An election is not required. The municipality may enter any agreements or arrangements it deems necessary or useful to issue the bonds. The municipality must give the proceeds of the bonds, less the cost of issuance, to the commission to be used for the purposes of acquiring and constructing the ballpark.

Subd. 6. **Security.** The municipality may pledge to the payment of and the bonds are payable from the taxes imposed by the municipality under section 473I.07, except subdivision 4.

473I.12 BASEBALL PARK DISTRICT.

The municipality may establish a baseball park district to foster the development and continuing growth of compact, pedestrian-oriented, compatible mixed uses within buildings and blocks around the baseball park. Before establishing the district, the municipality must:

(1) give public notice of the creation and boundaries of the district, including reasons that support the boundaries set by the municipality; and

(2) hold at least one public hearing on the proposed establishment of the district.

473I.13 JOINT POWERS AGREEMENT.

Two or more cities may enter a joint powers agreement under section 471.59 to serve as a municipality for purposes of sections 473I.01 to 473I.12. If a joint powers agreement is entered for this purpose, the obligations and powers of and the limitations on a municipality under sections 473I.01 to 473I.12 apply to each of the cities.

**METROPOLITAN SPORTS FACILITIES COMMISSION
YEAR 2006 BUDGET SUMMARY AND REPORT ON USER FEE CHARGES**

	<u>Actual</u> <u>12/31/2003</u>	<u>Actual</u> <u>12/31/2004</u>
Revenues		
MN Twins Regular Season Net Revenues	\$ 1,158,354	\$ 1,218,249
MN Twins Post Season Net Revenues	39,810	42,660
MN Vikings Regular Season Net Revenues	5,416,595	5,696,110
U of M Gopher Football Net Revenues	283,318	287,020
Other Events Net Revenues	2,381,630	1,564,570
Miscellaneous Revenues	4,012,219	3,852,409
Investment Income	323,528	431,592
Total revenues	<u>\$ 13,615,454</u>	<u>\$ 13,092,610</u>
Expenses		
Operating expenses:		
Personal services	\$ 3,169,272	\$ 3,370,186
Professional services	478,881	523,768
Contractual building services	3,657,299	3,578,312
Audio-visual maintenance costs	292,589	266,218
Travel and meetings	64,500	41,325
Supplies, repairs and maintenance	687,122	755,099
Utilities	2,339,390	2,863,101
Insurance	610,686	559,440
Communication	94,144	80,670
Miscellaneous	1,878,489	1,183,955
Less: reimbursed expenses	(3,068,899)	(2,954,077)
Subtotal operating expenses	<u>\$ 10,203,473</u>	<u>\$ 10,267,997</u>
Repairs and replacements expenses	\$ 260,176	\$ 1,991,096
Capital improvements expenses	2,920,754	365,015
Concessions - Repair and maintenance	242,066	215,943
Concessions - Replacements and new equipment	73,347	126,433
Concessions - Promotions expense	75,187	54,557
Concessions Renovation costs	698,865	395,752
Total expenses	<u>\$ 14,473,868</u>	<u>\$ 13,416,793</u>
Change in Account Balances	\$ (858,414)	\$ (324,183)
Beginning Account Balances	<u>\$ 19,802,113</u>	<u>\$ 18,943,699</u>
Ending Account Balances	<u>\$ 18,943,699</u>	<u>\$ 18,619,516</u>
Recap Ending Account Balances:		
Operating Account	\$ 6,661,686	\$ 8,405,796
Repair and Replacements Account	3,772,559	1,781,463
Capital Improvements Account	7,889,481	7,524,466
Concessions Reserve Account	619,973	907,791
Total Ending Account Balances	<u>\$ 18,943,699</u>	<u>\$ 18,619,516</u>

2005 Adopted Budget	2005 Projection	2006 Budget
\$ 996,000	\$ 1,279,000	\$ 1,235,500
-	-	-
5,325,650	5,592,600	5,592,600
207,046	273,900	273,900
1,684,000	1,684,000	2,360,000
3,862,500	3,292,500	3,292,500
400,000	375,000	400,000
<u>\$ 12,475,196</u>	<u>\$ 12,497,000</u>	<u>\$ 13,154,500</u>

\$ 3,512,000	\$ 3,512,000	\$ 3,748,000
592,000	376,375	544,000
4,205,000	4,050,000	4,275,000
372,000	278,000	395,000
65,000	49,000	65,000
695,000	666,400	813,000
3,175,000	3,100,000	3,235,000
626,000	626,000	625,000
90,000	90,000	90,000
1,922,000	1,163,400	2,380,000
(3,160,000)	(2,935,000)	(3,160,000)

<u>\$ 12,094,000</u>	<u>\$ 10,976,175</u>	<u>\$ 13,010,000</u>
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\$ 770,000	\$ 625,000	\$ 550,000
730,000	1,095,000	1,975,000
300,000	250,000	300,000
300,000	200,000	300,000
70,000	70,000	70,000
50,000	50,000	50,000

<u>\$ 14,314,000</u>	<u>\$ 13,266,175</u>	<u>\$ 16,255,000</u>
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\$ (1,838,804)	\$ (769,175)	\$ (3,100,500)
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<u>\$ 18,619,516</u>	<u>\$ 18,619,516</u>	<u>\$ 17,850,341</u>
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<u>\$ 16,780,712</u>	<u>\$ 17,850,341</u>	<u>\$ 14,749,841</u>
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\$ 7,776,992	\$ 8,706,621	\$ 7,701,121
1,011,463	1,156,463	606,463
6,794,466	6,429,466	4,454,466
1,197,791	1,557,791	1,987,791

<u>\$ 16,780,712</u>	<u>\$ 17,850,341</u>	<u>\$ 14,749,841</u>
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