

#1

**SUMMARY OF STADIUM OPTIONS**

May 1, 2006

\$ in Thousands

	U. of M. GOPHERS STADIUM			TWINS STADIUM		VIKINGS STADIUM
	H.F. 263 Abrams passed by House	S.F. 237 Michel	S.F. 2460 Pogemiller as amended in Finance Comm. 4/26/06	H.F. 2480 Finstad passed by House	S. F. 2297 Kelley with A-16 amendment	S.F. 2297 with A-16 Amendment - Article 2 Football Stadium Betzold
<b>Total Cost</b>	\$248,000	\$248,000	\$248,000	\$522,000	\$605,000	\$675,000
<b>U of M / Team Share</b>	\$124,000	\$124,000	\$75,300	\$130,000	\$151,250	\$280,000
<b>%</b>	50%	50%	30%	25%	25%	41%
<b>State Share</b>	\$124,000	\$124,000	\$172,700	\$0	\$453,750	\$395,000
<b>%</b>	50%	50%	70%		75%	59%
<b>County Share</b>				\$392,000	\$0	\$0
<b>%</b>				75%		
<b>Add'l State Costs for Road Improvements</b>						\$115,000
<b>Rev. state share %</b>						65%
<b>Annual State Appropriation</b>	\$9,400	\$9,400	\$12,900			
<b>Source of State Funds</b>	General Fund	General Fund	Sports Memorabilia Tax proposed, but not currently included in SF 2460.	NA	0.5% metro-wide sales & use tax in A-16 amendment	0.5% metro-wide sales & use tax in A-16 amendment
<b>Duration</b>	25 years	25 years	25 years			
<b>Notes:</b>	University share includes \$26.5 m. from student fees and \$35 m. (or \$20.5 m. discounted present value) for stadium naming rights. U. grants title to 2,840 acres of land in Dakota County to state in 25 years.	University share includes \$26.5 m from student fees and \$35 m. (or \$20.5 m. discounted present value) for stadium naming rights and land trade. Includes exemption from Designer Selection Board and authority for liquor license.	Does not include use of increased student fees, money received from naming rights, and land trade. Includes exemption from Designer Selection Board and authority for liquor license.	Hennepin County share funded with 0.15% countywide sales and use tax. County costs include \$350 m. for construction and \$42 m. financing costs. Does not include costs for a roof.	Includes \$125 m. for a roof with Twins paying proportionate share (\$31,250,000 or 25%). Does not include \$42 m in Hennepin County financing costs.	Stadium costs with roof. State share includes \$115 m. for on-site infrastructure costs and portion of retractable roof, \$280 m. county share, and \$115 m for road improvements. Amount of bonds issues is limited to \$510 million plus reserves and issuance costs.

May 1, 2006  
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<b>Sales Tax Exemption</b>	Does not include sales tax exemption.	For construction costs: FY08 - \$2 million; FY09 - \$3 million.	For construction costs: FY08 - \$2 million; FY09 - \$3 million.	For project construction & public infrastructure equal \$14 million over 4 years (FY07-FY10). Includes exemption for local government projects starting for FY10 estimated at \$87.2 million.	For project construction & public infrastructure equal \$14 million over 4 years (FY07-FY10).	For construction costs equal \$20.6 million over three years (FY09-FY11).
<b>Other</b>				Reserve for capital improvements of \$2 m annually, with team share of \$1 m annually. Team to provide \$250,000 annually for youth and amateur sports. If team is sold other than to county, 18% of gross sales price paid to county.	Reserve for capital improvements of \$2 m annually, with team share of \$600,000 annually. Team to provide \$250,000 annually for youth and amateur sports. If team is sold, 18% of gross sale price, declining to zero in increments of 1.8% each year for 10 years after start of construction.	

## ROLL CALL VOTE

Date: 5/1/06

Senator Pogemiller requested a Roll Call Vote on:

1.  adoption of A-8 amendment
2.  passage of      F. No.
3.  adoption of      motion

SENATOR	YES	NO	PASS	ABSENT
Pogemiller	✓			
Bakk	✓			
Belanger		✓		
Betzold	✓			
Johnson		✓		
Limmer		✓		
Marty	✓			
McGinn		✓		
Moua	✓			
Ortman		✓		
Skoe	✓			
Tomassoni	✓			
<b>TOTALS</b>	<b>7</b>	<b>5</b>		

There being 7 Yes votes and 5 No votes the Motion:

Prevailed

Did Not Prevail

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State of Minnesota

Printed Page No.

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HOUSE OF REPRESENTATIVES

EIGHTY-FOURTH SESSION

HOUSE FILE No. 2480

April 26, 2005

Authored by Finstad, Kelliher, Urdahl, Sertich, Lillie and others

The bill was read for the first time and referred to the Committee on Governmental Operations and Veterans Affairs

May 11, 2005

Committee Recommendation and Adoption of Report:

To Pass as Amended and re-referred to the Committee on Local Government

Pursuant to Joint Rule 2.03, re-referred to the Committee on Rules and Legislative Administration

May 13, 2005

Committee Recommendation and Adoption of Report: To Pass and re-referred to the Committee on Local Government

May 18, 2005

Committee Recommendation and Adoption of Report: To Pass as Amended and re-referred to the Committee on Taxes

April 24, 2006

Committee Recommendation and Adoption of Report:

To Pass as Amended and re-referred to the Committee on Ways and Means

April 25, 2006

Committee Recommendation and Adoption of Report:

To Pass as Amended and Read Second Time

April 26, 2006

Calendar For The Day, Amended

Read Third Time as Amended

Passed by the House as Amended and transmitted to the Senate to include Floor Amendments

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.

7 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;

1.27 (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  
6.20 Authority may have served as an elected official of the  
6.21 city of Minneapolis or Hennepin County for a period of two years prior to appointment to  
6.22 the authority.

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

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  
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

18.34 bonds must be paid to the authority and deposited in a reserve fund for improvements to  
18.35 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  
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  
21.3 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.



1.1

Senator ..... moves to amend H.F. No. 2480 as follows:

2

Page 13, line 2, delete "subdivisions 2 and 3" and insert "subdivision 2"

## ROLL CALL VOTE

Date: 5/1/06

Senator Pogemiller requested a Roll Call Vote on:

1.  adoption of A-4 amendment
2.  passage of      F. No.
3.  adoption of      motion

SENATOR	YES	NO	PASS	ABSENT
Pogemiller	✓			
Bakk	✓			
Belanger	✓			
Betzold	✓			
Johnson	✓			
Limmer	✓			
Marty	✓			
McGinn	✓			
Moua	✓			
Ortman	✓			
Skoe	✓			
Tomassoni	✓			
<b>TOTALS</b>	<b>12</b>	<b>0</b>		

There being 12 Yes votes and 0 No votes the Motion:

Prevailed X

Did Not Prevail

1.1 Senator ..... moves to amend H.F. No. 2480 as follows:

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 473.757, are exempt.  
1.10 This subdivision expires one year after the date that the first major league baseball game is  
1.11 played in the ballpark for materials, supplies, and equipment used in the ballpark, and five  
1.12 years after the issuance of the first bonds under section 473.755 for materials, supplies,  
1.13 and equipment used in the public infrastructure.

1.14 Sec. 2. [473.75] PURPOSE.

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

1.29 Sec. 3. [473.751] DEFINITIONS.

1.30 Subdivision 1. **Terms.** As used in this article, the terms defined in this section  
1.31 have the meanings given them in this section, except as otherwise expressly provided or  
1.32 indicated by the context.

1.33 Subd. 2. **Ballpark.** "Ballpark" means the stadium suitable for major league baseball  
1.34 to be constructed and financed under this article.

2.1           Subd. 3. **Ballpark costs.** "Ballpark costs" means the cost of designing, constructing,  
2.2 and equipping a ballpark suitable for major league baseball. "Ballpark cost" excludes  
2.3 the cost of land acquisition, site improvements, utilities, site demolition, environmental  
2.4 remediation, railroad crash wall, site furnishings, landscaping, railroad right-of-way  
2.5 development, district energy, site graphics and artwork and other site improvements  
2.6 identified by the commission, public infrastructure, capital improvement reserves, bond  
2.7 reserves, capitalized interest, and financing costs.

2.8           Subd. 4. **Development area.** "Development area" means the area in the city of  
2.9 Minneapolis bounded by marked Interstate Highway 394, vacated Holden Street, the  
2.10 Burlington Northern right-of-way, Seventh Street North, Sixth Avenue North, and Fifth  
2.11 Street North.

2.12           Subd. 5. **Public infrastructure.** "Public infrastructure" means all property,  
2.13 facilities, and improvements determined by the commission to facilitate the development  
2.14 and use of the ballpark, including but not limited to property and improvements for  
2.15 drainage, environmental remediation, parking, roadways, walkways, skyways, pedestrian  
2.16 bridges, bicycle paths, and transit improvements to facilitate public access to the ballpark,  
2.17 lighting, landscaping, utilities, streets, and land acquired and prepared for private  
2.18 redevelopment in a manner related to the use of the ballpark.

2.19           Subd. 6. **Team.** "Team" means the owner and operator of the baseball team  
2.20 currently known as the Minnesota Twins.

2.21           Sec. 4. **[473.752] LOCATION.**

2.22           The ballpark must be located in the city of Minneapolis at a site within the  
2.23 development area.

2.24           Sec. 5. **[473.753] CONSTRUCTION OF BALLPARK.**

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

3.1 for the construction of the ballpark through the process of public bidding, except that the  
3.2 construction manager may, with the consent of the commission or the team:

3.3 (1) narrow the listing of eligible bidders to those that the construction manager  
3.4 determines to possess sufficient expertise to perform the intended functions;

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

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

3.11 The commission may require that the construction manager certify, before the contract  
3.12 is signed, a certified, fixed, and stipulated construction price and completion date to the  
3.13 commission and post a bond in an amount at least equal to 100 percent of the certified  
3.14 price, to cover any costs that may be incurred in excess of the certified price, including,  
3.15 but not limited to, costs incurred by the commission or loss of revenues resulting from  
3.16 incomplete construction on the completion date. The commission may secure surety bonds  
3.17 as provided in section 574.26, securing payment of just claims in connection with all  
3.18 public work undertaken by it. Persons entitled to the protection of the bonds may enforce  
3.19 them as provided in sections 574.28 to 574.32, and are not be entitled to a lien on any  
3.20 property of the commission under sections 514.01 to 514.16. Contracts for construction  
3.21 and operation of the ballpark must include programs to provide for participation by small  
3.22 local businesses and businesses owned by women and people of color, and the inclusion  
3.23 of women and people of color in the workforces of contractors and ballpark operators.  
3.24 The contracts must comply with all employment requirements applicable to city and state  
3.25 contracts for construction, including requirements relating to the payment of prevailing  
3.26 wages under sections 177.41 to 177.44.

3.27 Subd. 2. **Zoning and planning.** It is found and declared that the construction  
3.28 of a ballpark within the development area is consistent with the adopted area plan, is  
3.29 the preferred ballpark location, and is a permitted land use. Local units of government  
3.30 may not impose restrictions or conditions on ballpark and public infrastructure land use  
3.31 approvals except those that are based on reasonable land use grounds and criteria that are  
3.32 within their jurisdiction to apply. This subdivision applies to establish a procedure for  
3.33 all land use reviews and approvals by local governments for the ballpark and related  
3.34 public infrastructure and supersedes all land use rules and restrictions and procedures  
3.35 imposed by other law, charter, or ordinance. Section 15.99, subdivision 3, paragraphs  
3.36 (f) and (g), does not apply. Within 60 days of the effective date of this article, the

4.1 city of Minneapolis and Hennepin County shall establish a ballpark implementation  
 4.2 committee with equal representation from the city of Minneapolis and Hennepin County  
 4.3 to make recommendations on street vacation, parking, roadways, walkways, skyways,  
 4.4 pedestrian bridges, bicycle paths, transit improvements to facilitate public street access to  
 4.5 the ballpark, and integration into the transportation plan for downtown and the region,  
 4.6 lighting, landscaping, utilities, streets, drainage, environmental remediation, and land  
 4.7 acquired and prepared for private redevelopment in a manner related to the use of  
 4.8 the ballpark. The recommendations of the committee must be forwarded to the city of  
 4.9 Minneapolis Planning Commission for an advisory recommendation and then to the city  
 4.10 council for action in a single resolution.

4.11 Subd. 3. **Local government action; environmental review.** Local governmental  
 4.12 units shall take action promptly and within project design and construction timetables on  
 4.13 applications for building permits and certificates of occupancy. The commission shall be  
 4.14 the responsible governmental unit for any environmental impact statement prepared under  
 4.15 section 116D.04. The commission may make decisions and take actions to acquire land  
 4.16 and obtain financing before completion of environmental review.

4.17 Sec. 6. **[473.754] CRITERIA AND CONDITIONS.**

4.18 Subdivision 1. **Binding and enforceable.** In developing the ballpark and entering  
 4.19 into related contracts, the commission must follow and enforce the criteria and conditions  
 4.20 in this section, provided that a determination by the commission that those criteria or  
 4.21 conditions have been met under any agreement or otherwise is conclusive.

4.22 Subd. 2. **Team contributions.** The team must agree to contribute at least  
 4.23 \$130,000,000 toward ballpark costs, plus a proportionate share of the cost of adding a  
 4.24 retractable roof to the ballpark. The team contribution must be reduced by a proportionate  
 4.25 share of any amount by which actual ballpark costs may be less than a budgeted amount of  
 4.26 \$390,000,000. The team contributions must be funded in cash during the construction  
 4.27 period. In addition to any other team contribution, the team must agree to assume and pay  
 4.28 when due all cost overruns for the ballpark costs that exceed the budget, excluding land,  
 4.29 site improvements, and public infrastructure.

4.30 Subd. 3. **Reserve for capital improvements.** The commission shall require  
 4.31 that a reserve fund for capital improvements to the stadium be established and funded  
 4.32 with annual team payments of \$1,000,000 and annual payments from other sources  
 4.33 of \$1,000,000. The annual payments must increase according to an inflation index  
 4.34 determined by the commission. The commission may accept contributions from any other  
 4.35 source for the portion of the funding not required to be provided by the team.

5.1           Subd. 4. Lease or use agreements. The commission and team must agree to a  
5.2           long-term lease or use agreement with the team for its use of the ballpark. The team  
5.3           must agree to play all regularly scheduled and postseason home games at the ballpark.  
5.4           Preseason games may also be scheduled and played at the ballpark. The lease or use  
5.5           agreement must be for a term of at least 30 years from the date of ballpark completion.  
5.6           The lease or use agreement must include terms for default, termination, and breach of  
5.7           the agreement. Recognizing that the presence of major league baseball provides to the  
5.8           state of Minnesota and its citizens highly valued, intangible benefits that are virtually  
5.9           impossible to quantify and, therefore, not recoverable in the event of a team owner's  
5.10          breach of contract, the lease and use agreements must provide for specific performance  
5.11          and injunctive relief to enforce provisions relating to use of the ballpark for major league  
5.12          baseball and must not include escape clauses or buyout provisions.

5.13           Subd. 5. Notice requirement for certain events. Until 30 years from the date  
5.14          of ballpark completion, the team must provide written notice to the commission not  
5.15          less than 90 days before any action, including any action imposed upon the team by  
5.16          Major League Baseball, which would result in a breach or default of provisions of the  
5.17          lease or use agreements required to be included under subdivision 4. If this notice  
5.18          provision is violated and the team has already breached or been in default under the  
5.19          required provisions, the commission or the state may specifically enforce the lease or  
5.20          use agreement, and Minnesota courts shall fashion equitable remedies so that the team  
5.21          may fulfill the conditions of the lease and use agreements, including, but not limited to,  
5.22          remedies against Major League Baseball.

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

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

6.1 (b) The governor and the commission must attempt to facilitate the formation  
6.2 of a corporation to acquire the baseball franchise and to identify an individual private  
6.3 managing owner of the corporation. The corporation formed to acquire the franchise must  
6.4 have a capital structure that complies with all of the following provisions:

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

6.8 (2) the private managing owner must own no less than 25 percent and no more than  
6.9 35 percent of the common stock. For purposes of this restriction, shares of common stock  
6.10 owned by the private managing owner include shares of common stock owned by any  
6.11 related taxpayer as defined in section 1313(c) of the Internal Revenue Code of 1986, as  
6.12 amended. Other than the rights of all other holders of common stock and preferred stock  
6.13 with respect to relocation of the franchise or voluntary contraction, the private managing  
6.14 owner must control all aspects of the operation of the corporation;

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

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

6.20 (5) the articles of incorporation, bylaws, and other governing documents must  
6.21 provide that the franchise may not move outside of the state or agree to voluntary  
6.22 contraction without approval of at least 75 percent of the shares of common stock and at  
6.23 least 75 percent of the shares of preferred stock. Notwithstanding any law to the contrary,  
6.24 these 75 percent approval requirements may not be amended by the shareholders or by  
6.25 any other means.

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

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

6.33 Subd. 9. **Ballpark design.** (a) The ballpark must have a retractable roof.

6.34 (b) The commission must ensure that the ballpark receives Leadership in Energy and  
6.35 Environmental Design (LEED) certification for environmental design, and to the extent  
6.36 practicable, that the ballpark design is architecturally significant.



7.1 (c) The ballpark design must, to the extent feasible, follow sustainable building  
7.2 guidelines established under section 16B.325.

7.3 (d) The commission must ensure that the ballpark be, to the greatest extent  
7.4 practicable, constructed of American-made steel.

7.5 Subd. 10. **Public share upon sale of team.** The lease or use agreement must  
7.6 provide that, if the team is sold after the effective date of this article, a portion of the sale  
7.7 price must be paid to the authority and deposited in a reserve fund for improvements to  
7.8 the ballpark or expended as the authority may otherwise direct. The portion required to  
7.9 be so paid to the authority is 18 percent of the gross sale price, declining to zero ten  
7.10 years after commencement of ballpark construction in increments of 1.8 percent each  
7.11 year. The agreement shall provide exceptions for sales to members of the owner's family  
7.12 and entities and trusts beneficially owned by family members, sales to employees of  
7.13 equity interests aggregating up to ten percent, and sales related to capital infusions not  
7.14 distributed to the owners.

7.15 Subd. 11. **Access to books and records.** The commission must seek a provision in  
7.16 the lease or use agreement that provides the commission access to annual audited financial  
7.17 statements of the team and other financial books and records that the commission deems  
7.18 necessary to determine compliance by the team with this article and to enforce the terms  
7.19 of any lease or use agreements entered into under this article. Any financial information  
7.20 obtained by the commission under this subdivision is nonpublic data under section 13.02,  
7.21 subdivision 9.

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

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

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

7.34 Subd. 15. **Name retention.** The lease or use agreement must provide that the  
7.35 team and league will transfer to the state of Minnesota the Minnesota Twins' heritage

8.1 and records, including the name, logo, colors, history, playing records, trophies and  
8.2 memorabilia in the event of any dissolution or relocation of the Twins franchise.

8.3 **Sec. 7. [473.755] FINANCING OF FACILITY.**

8.4 Subdivision 1. **Public expenditures.** The amount that the commission may grant or  
8.5 expend for ballpark costs must not exceed \$475,000,000. The amount of any grant for  
8.6 capital improvement reserves must not exceed \$1,000,000 annually, subject to annual  
8.7 increases according to an inflation index acceptable to the commission. This section does  
8.8 not limit the amount of grants or expenditures for land, site improvements, and public  
8.9 infrastructure. A grant agreement is valid and enforceable notwithstanding that it involves  
8.10 payments in future years and they do not constitute a debt of the commission within  
8.11 the meaning of any constitutional or statutory limitation or for which a referendum is  
8.12 required. The commission may acquire land, air rights, and other property interests within  
8.13 the development area for the ballpark site and public infrastructure for development as a  
8.14 ballpark, and acquire and construct any related public infrastructure. The commission may  
8.15 review and approve ballpark designs, plans, and specifications to the extent provided in a  
8.16 grant agreement and in order to ensure that the public purposes of the grant are carried  
8.17 out. Public infrastructure designs must optimize area transit and bicycle opportunities,  
8.18 including connections to planned or existing trails and transportation corridors, including  
8.19 Central, Hiawatha, I-394, Northstar, Northwest, Red Rock, Rush Line, and Southwest. The  
8.20 commission may enforce the provisions of any grant agreement by specific performance.  
8.21 The commission may reimburse a local governmental entity within which the ballpark is  
8.22 located or make a grant to such a governmental unit for site acquisition, preparation of the  
8.23 site for ballpark development, and public infrastructure. Amounts expended by a local  
8.24 governmental unit with the proceeds of a grant or in expectation of reimbursement by the  
8.25 commission are not an expenditure or other use of local governmental resources by the  
8.26 governmental unit within the meaning of any law or charter limitation.

8.27 Subd. 2. **Revenue bonds.** When the criteria and conditions set forth in section  
8.28 473.754 have been met, the commission may, by resolution, authorize, sell, and issue  
8.29 revenue bonds to provide money to finance all or a portion of the costs of site acquisition,  
8.30 site improvements and other activities necessary to prepare a site for development of  
8.31 a ballpark, and to acquire and construct any related parking facilities and other public  
8.32 infrastructure. The commission may also, by resolution, issue bonds to refund the bonds  
8.33 issued under this section. The term of the bonds must be no longer than is necessary  
8.34 to provide interim financing in anticipation of receipt of sufficient funds under section  
8.35 473.131 to meet these costs. The bonds must be limited obligations, solely payable  
8.36 from or secured by revenues to become available under this article. The bonds may be

9.1 issued in one or more series and sold without an election. The bonds must be sold in the  
9.2 manner provided by section 475.60. The bonds shall be secured, bear the interest rate or  
9.3 rates or a variable rate, have the rank or priority, be executed in the manner, be payable  
9.4 in the manner, mature, and be subject to the defaults, redemptions, repurchases, tender  
9.5 options, or other terms the commission may determine. The commission may enter into  
9.6 and perform all contracts deemed necessary or desirable by it to issue and secure the  
9.7 bonds, including an indenture of trust with a trustee within or without the state. The debt  
9.8 represented by the bonds is not included in computing any debt limitation applicable to  
9.9 the commission. Subject to this subdivision, the bonds must be issued and sold in the  
9.10 manner provided in chapter 475. The bonds must recite that they are issued under this  
9.11 section and the recital is conclusive as to the validity of the bonds and the imposition and  
9.12 pledge of the taxes levied for their payment.

9.13 **Sec. 8. [473.756] CITY REQUIREMENTS.**

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

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

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

9.27 Subd. 4. **Charter limitations.** Actions taken by the city of Minneapolis under this  
9.28 section are not an expenditure or other use of city resources within the meaning of any  
9.29 charter limitation.

9.30 **Sec. 9. [473.757] LOCAL TAXES.**

9.31 No local unit of government shall impose a new or additional tax on sales or uses  
9.32 of any item that is not in effect for the ballpark site on the effective date of this article,  
9.33 except taxes generally applicable throughout the jurisdiction.

9.34 **Sec. 10. REPEALER.**

10.1 Minnesota Statutes 2004, sections 272.02, subdivision 50; 297A.71, subdivision 31;  
 10.2 473.5995, subdivision 2; 473I.01; 473I.02; 473I.03; 473I.04; 473I.05; 473I.06; 473I.07;  
 10.3 473I.08; 473I.09; 473I.10; 473I.11; 473I.12; and 473I.13, are repealed.

10.4 Sec. 11. **EFFECTIVE DATE.**

10.5 This article is effective the day following final enactment.

10.6 **ARTICLE 2**  
 10.7 **FOOTBALL STADIUM**

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

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

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

10.16 The legislature finds that construction of a new stadium that meets National Football  
 10.17 League programmatic requirements, with a retractable roof, in the city of Blaine, county  
 10.18 of Anoka, serves a public purpose. The legislature finds that the public purpose served  
 10.19 includes retaining the Minnesota Vikings as a part of Minnesota's public amenities for  
 10.20 its citizens and as a major attraction to visitors to the state, adding to the economic  
 10.21 development of the state, attracting revenue from out of the state, and preserving the  
 10.22 contributions of football to the culture of Minnesota and to the enjoyment of its citizens.  
 10.23 Further, the legislature finds that a National Football League stadium may be financed as a  
 10.24 public-private partnership between the state, the Minnesota Vikings, and other supporting  
 10.25 interests that may contribute to the construction of a football stadium and related facilities.  
 10.26 The legislature further finds that a new stadium should be coordinated with transportation  
 10.27 and transit plans and activities.

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

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

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

11.1 Subd. 3. Stadium district. "Stadium district" means a district designated by the  
11.2 commission that contains the National Football League stadium and consists of no more  
11.3 than 740 contiguous acres surrounding the sports facilities.

11.4 Sec. 4. [473.762] LOCATION.

11.5 The new National Football League stadium must be located in the city of Blaine,  
11.6 Anoka County, Minnesota.

11.7 Sec. 5. [473.763] CONSTRUCTION OF FOOTBALL STADIUM.

11.8 Subdivision 1. Construction manager. The commission and the Minnesota Vikings  
11.9 shall jointly select a construction manager. With respect to the construction of the stadium,  
11.10 the construction manager must:

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

11.12 (2) provide payment and performance bonds or other security reasonably acceptable  
11.13 to the commission in an amount equal to the guaranteed maximum cost of construction,  
11.14 and must comply with all employment requirements applicable to city and state contracts  
11.15 for construction, including requirements relating to the payment of prevailing wages under  
11.16 sections 177.41 to 177.44. Contracts for construction and operation of the ballpark must  
11.17 include programs to provide for participation by small local businesses and businesses  
11.18 owned by women and people of color, and the inclusion of women and people of color  
11.19 in the workforces of contractors and ballpark operators.

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

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

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

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

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

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

11.35 Sec. 6. [473.764] CRITERIA AND CONDITIONS.

12.1           Subdivision 1. **Requirement.** The commission shall issue its bonds and construction  
12.2 of the stadium may commence when the commission has completed the requirements  
12.3 imposed under this section.

12.4           Subd. 2. **Use agreement.** The commission must execute a long-term use agreement  
12.5 with the Minnesota Vikings, meeting the requirements of section 473.767.

12.6           Subd. 3. **Development and financing agreement.** The commission must execute  
12.7 a development and financing agreement with the Minnesota Vikings meeting the  
12.8 requirements of section 473.766.

12.9           Subd. 4. **Sufficient funds.** The commissioner must determine that the proceeds  
12.10 of bonds authorized and provided for in section 473.765 will be sufficient, together  
12.11 with other capital funds that may be available to the commission for expenditure on the  
12.12 sports facilities, including, except as otherwise provided in this section, the acquisition,  
12.13 clearance, relocation, and legal costs referred to in subdivisions 5 and 6.

12.14           Subd. 5. **Acquisition of property.** The commission must acquire title to or an  
12.15 interest in all real property, including all easements, air rights, and other appurtenances  
12.16 needed for the construction and operation of the sports facility or has received a grant of  
12.17 money or has entered into agreements sufficient in the judgment of the commission to  
12.18 assure the receipt of money, at the time and in the amount required, to make any payment  
12.19 upon which the commission's acquisition of title or interest in and possession of the real  
12.20 property is conditioned.

12.21           Subd. 6. **Money for site preparation.** The commission must receive a grant of  
12.22 money or entered into agreements sufficient in the judgment of the commission to assure  
12.23 the receipt of money, at the time and in the amount required, to pay all costs, except as  
12.24 provided in this subdivision, of clearing the real property needed for the construction and  
12.25 operation of the sports facilities, railroad tracks, and other structures, including, without  
12.26 limitation, all relocation costs, all utility relocation costs, and all legal costs.

12.27           Subd. 7. **Agreement prohibiting strikes.** The commission must use its best efforts  
12.28 to negotiate an agreement to prevent strikes and lockouts that would halt, delay, or impede  
12.29 construction of the sports facilities.

12.30           Subd. 8. **Construction agreements.** The commission must execute agreements  
12.31 that will provide for the construction of the sports facilities for a certified or guaranteed  
12.32 construction price and completion date. The agreements must include performance bonds  
12.33 in an amount at least equal to 100 percent of the certified or guaranteed price to cover any  
12.34 costs that may be incurred over and above the certified price, including, but not limited

13.1 to, costs incurred by the commission or loss of revenues resulting from incomplete  
13.2 construction on the completion date.

13.3 Subd. 9. **Environmental requirements.** The commission must ensure that  
13.4 environmental requirements imposed for the sports facilities by regulatory agencies are  
13.5 complied with.

13.6 Subd. 10. **Adequacy of revenues.** The commission must determine that the  
13.7 anticipated revenue from the operation of the sports facilities, plus any additional available  
13.8 revenue of the commission, will be an amount sufficient to pay when due all debt service  
13.9 on the bonds issued under section 473.765, subdivision 1, plus all administration,  
13.10 operating, and maintenance expense of the sports facilities.

13.11 Subd. 11. **Committed funds.** The commission must determine that all public and  
13.12 private funding sources for construction and operation of the sports facilities are officially  
13.13 committed in writing and enforceable. The committed funds must be adequate to site,  
13.14 design, construct, furnish, equip, and service the sports facilities debt, as well as to pay  
13.15 for the ongoing operation and maintenance of the stadium.

13.16 Subd. 12. **Guaranty.** The commission must ensure that a guaranty is in place in  
13.17 a form satisfactory to the commission. The guaranty may be in the form of a letter of  
13.18 credit, minimum net worth requirements, personal guaranties or other surety covering the  
13.19 payments on terms determined by the commission's negotiations with the Minnesota  
13.20 Vikings.

13.21 Subd. 13. **Effect of determinations.** The validity of any bonds issued under section  
13.22 473.765, subdivision 1, clauses (1) and (2), and the obligation of the commission related  
13.23 to them, must not be conditioned upon or impaired by the commission's determinations  
13.24 made under this section. For purposes of issuing the bonds, the determinations made by  
13.25 the commission shall be deemed conclusive and the commission shall be and remain  
13.26 obligated for the security and payment of the bonds, irrespective of determinations that  
13.27 may be erroneous, inaccurate, or otherwise mistaken.

13.28 Sec. 7. **[473.765] ISSUANCE OF BONDS.**

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

13.31 (1) to provide money and pay costs to predesign, design, construct, furnish, equip,  
13.32 and otherwise improve or better the sports facilities owned or to be owned by the  
13.33 commission pursuant to this article, including construction of a retractable roof, and  
13.34 to finance acquisition of right-of-way and construction and reconstruction of Interstate

14.1 Highway 35W and other trunk highways in Anoka County to improve access to the  
14.2 stadium;

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

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

14.6 (4) to fund judgments entered by court against the commission in matters relating to  
14.7 the commission’s functions related to the sports facilities.

14.8 Subd. 2. **Procedure.** The bonds must be sold, issued, and secured on the terms  
14.9 and conditions the commission determines to be in the best interests of the commission,  
14.10 except as otherwise provided in sections 473.76 to 473.769. The bonds may be sold at  
14.11 any price and at public or private sale as determined by the commission. They shall be  
14.12 payable solely from revenues referred to in sections 473.76 to 473.769. The bonds are not  
14.13 a general obligation or debt of the commission or any city, county, or the state, and shall  
14.14 not be included in the net debt of any city, county, or other subdivision of the state for the  
14.15 purpose of any net debt limitation. No election is required.

14.16 Subd. 3. **Limitations.** The principal amount of bonds issued by the authority under  
14.17 subdivision 1, clauses (1) and (2), must not exceed \$510,000,000 plus the amounts  
14.18 necessary to fund appropriate reserves, capitalized interest, bond issuance, and to pay  
14.19 issuance costs. The term of the bonds must be no longer than is necessary to provide  
14.20 interim financing in anticipation of receipt of sufficient funds under section 473.131 for  
14.21 the purposes of subdivision 1, clauses (1) and (2).

14.22 Subd. 4. **Security.** To the extent and in the manner provided in sections 473.76 to  
14.23 473.769, the revenues of the commission described in this article, and any other revenues  
14.24 of the commission attributable to the sports facilities, including teams’ contributions, must  
14.25 be and remain pledged and appropriated to the commission as appropriate for the payment  
14.26 of all necessary and reasonable expenses of the operation, administration, maintenance  
14.27 of the sports facilities, and debt service on the bonds until all bonds or certificates of  
14.28 indebtedness issued under sections 473.76 to 473.769 are fully paid or discharged in  
14.29 accordance with law. Bonds issued under sections 473.76 to 473.769 may be secured by a  
14.30 bond resolution, or by a trust indenture entered into by the commission with a corporate  
14.31 trustee within or outside the state, which must define the revenue and team contributions,  
14.32 and other sports facilities revenues pledged for the payment and security of the bonds. The  
14.33 pledge is a valid charge on the revenues referred to in this article from the date when bonds  
14.34 are first issued or secured under the resolution or indenture and shall secure the payment  
14.35 of principal and interest and redemption premiums when due and the maintenance at all



15.1 times of a reserve or reserves securing payments. No mortgage of or security interest in  
15.2 any tangible real or personal property may be granted to the bondholders or the trustee,  
15.3 but they shall have a valid security interest in all tax and other revenues received and  
15.4 accounts receivable by the commission under this article, as against the claims of all other  
15.5 persons in tort, contract, or otherwise, irrespective of whether the parties have notice of  
15.6 the claims, and without possession or filing as provided in the Uniform Commercial  
15.7 Code or any other law. In the bond resolution or trust indenture, the commission may  
15.8 make covenants, which shall be binding upon the commission, that are determined to be  
15.9 usual and reasonably necessary for the protection of the bondholders. No pledge may be  
15.10 revoked or amended by law or by action of the commission except in accordance with  
15.11 the terms of the bond resolution or indenture under which the bonds are issued, until the  
15.12 obligations of the commission are fully discharged.

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

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

15.22 **Sec. 8. [473.766] DEVELOPMENT AND FINANCING AGREEMENT.**

15.23 Subdivision 1. **Agreement required.** Prior to commencement of construction, the  
15.24 commission must negotiate and enter into an agreement with Anoka County, the city of  
15.25 Blaine, and the Minnesota Vikings concerning the terms and conditions under which  
15.26 the parties will make contributions of money, future revenues, interests in property for  
15.27 the site and public infrastructure, the method of completing design and construction,  
15.28 which may include the design build process, the integration of the stadium and related  
15.29 infrastructure with surrounding development, and other matters relating to the stadium,  
15.30 its operation, maintenance, and financing. This agreement must, at a minimum, meet  
15.31 the requirements of this section.

15.32 Subd. 2. **Total public investment towards stadium project costs.** The total public  
15.33 investment shall not exceed \$510,000,000, of which \$395,000,000 is for stadium project  
15.34 costs and \$115,000,000 is for offsite infrastructure. As used in this section, "stadium  
15.35 project costs" includes the costs of the following:

- 16.1 (1) acquisition of land needed for the stadium structure and related parking and  
16.2 infrastructure;
- 16.3 (2) design and construction of the stadium and related infrastructure;
- 16.4 (3) finished space and fixtures, furniture, and equipment within the stadium project  
16.5 for the Minnesota Vikings, concessions and suites; and
- 16.6 (4) land, design, construction, fixtures, furniture, and equipment for the Minnesota  
16.7 Vikings indoor practice facility and exhibition hall.

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

16.12 Subd. 3. **Team contribution.** The team must contribute at least \$280,000,000  
16.13 to the sports facility costs. Team contributions may include, but are not limited to,  
16.14 contribution of land, initial cash contributions, and cash equivalent to the net present  
16.15 value of guaranteed annual payments and assignments of naming rights and permanent  
16.16 seat licenses. Team contributions do not include payments of operating and maintenance  
16.17 expenses for the stadium, which must be made by the team. In addition to any other team  
16.18 contribution, the team must assume and pay when due all cost overruns for the stadium.

16.19 Sec. 9. **[473.767] USE AGREEMENT.**

16.20 Subdivision 1. **Requirement.** Prior to the issuance of bonds under section 473.765,  
16.21 the commission must have entered into an agreement with the Minnesota Vikings and the  
16.22 National Football League meeting the requirements of this section.

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

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

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

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

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

17.1 Sec. 10. [473.768] LIQUOR LICENSES.

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

17.6 Sec. 11. EFFECTIVE DATE.

17.7 This article is effective the day following final enactment.

17.8 **ARTICLE 3**  
17.9 **SPORTS FACILITIES FINANCING AND GOVERNANCE**

17.10 Section 1. [473.131] METROPOLITAN AREA SALES AND USE TAXES.

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

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

17.17 (1) within the metropolitan area; or

17.18 (2) partly within and partly without the metropolitan area, and more of the service is  
17.19 performed within the metropolitan area, based on the cost of performance.

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

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

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

17.31 (d) A use tax is imposed on a person who manufactures, fabricates, or assembles  
17.32 tangible personal property from materials, either within or outside the metropolitan area  
17.33 and who uses, stores, distributes, or consumes the tangible personal property in the  
17.34 metropolitan area. The tax is imposed on the sales price of retail sales of the materials  
17.35 contained in the tangible personal property at the rate of tax imposed under section  
17.36 297A.62.

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

18.3 Subd. 3. Administration; collection. Section 297A.99, subdivisions 9 to 11, apply  
18.4 to the taxes imposed in this section as if they had been imposed by the Metropolitan  
18.5 Council.

18.6 Subd. 4. Use of revenues. (a) The proceeds remitted to the Metropolitan Council  
18.7 under section 297A.99, subdivision 11, must be used by the council as follows:

18.8 (1) one-half must be distributed to the Metropolitan Sports Facilities Commission to  
18.9 be used to finance a new ballpark for the use of the Minnesota Twins, and a new stadium  
18.10 for the use of the Minnesota Vikings; and

18.11 (2) one-half to be used by the council for implementation of the public transit  
18.12 components of the council's 2030 transportation policy plan, and for other public transit  
18.13 operations and capital improvements provided or assisted by the council in counties in the  
18.14 metropolitan transportation area.

18.15 (b) When sufficient revenues to complete construction of the stadium and ballpark  
18.16 have been raised from the tax under this section and all other revenues available for those  
18.17 projects, the full amount of the revenues from the tax must be used for purposes of  
18.18 paragraph (a), clause (2).

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

18.25 Sec. 2. Minnesota Statutes 2004, section 473.551, subdivision 1, is amended to read:

18.26 Subdivision 1. **Terms.** For the purposes of sections 473.551 to 473.599 and 473.75  
18.27 to 473.768, the following terms shall have the meanings given in this section.

18.28 Sec. 3. Minnesota Statutes 2004, section 473.551, subdivision 8, is amended to read:

18.29 Subd. 8. **Sports facility or sports facilities.** "Sports facility" or "sports facilities"  
18.30 means real or personal property comprising a stadium, stadiums, or arenas suitable  
18.31 for university or major league professional baseball, for university or major league  
18.32 professional football and soccer, or for both, or for university or major league hockey or  
18.33 basketball, or for both, together with adjacent parking facilities, including on the effective  
18.34 date of Laws 1994, chapter 648, the metrodome, the met center, ~~and;~~ upon acquisition by

19.1 the commission, the basketball and hockey arena; the ballpark provided under sections  
19.2 473.75 to 473.757; and the stadium provided under sections 473.76 to 473.768.

19.3 Sec. 4. Minnesota Statutes 2004, section 473.551, is amended by adding a subdivision  
19.4 to read:

19.5 Subd. 18. **Ballpark.** "Ballpark" is the sports facility located in the city of  
19.6 Minneapolis used primarily as a venue for playing major league baseball, constructed and  
19.7 financed under sections 473.75 to 473.757.

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

19.10 Subd. 19. **Football stadium.** "Football stadium" is the sports facility located in the  
19.11 city of Blaine used primarily as a venue for playing major league professional football,  
19.12 constructed and financed under sections 473.76 to 473.768.

19.13 Sec. 6. Minnesota Statutes 2004, section 473.553, subdivision 2, is amended to read:

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

19.24 Sec. 7. Minnesota Statutes 2004, section 473.553, subdivision 3, is amended to read:

19.25 Subd. 3. **Chair.** The chair shall be appointed by the governor as ~~the ninth~~ a voting  
19.26 member and shall meet all of the qualifications of a member, ~~except the chair need~~  
19.27 ~~only reside outside the city of Minneapolis.~~ The chair shall preside at all meetings of  
19.28 the commission, if present, and shall perform all other duties and functions assigned by  
19.29 the commission or by law. The commission may appoint from among its members a  
19.30 vice-chair to act for the chair during temporary absence or disability.

19.31 Sec. 8. Minnesota Statutes 2004, section 473.553, subdivision 4, is amended to read:

19.32 Subd. 4. **Qualifications.** A member shall not during a term of office hold the office  
19.33 of Metropolitan Council member or be a member of another metropolitan agency or hold  
19.34 any judicial office or office of state government. ~~None of the members appointed by the~~  
19.35 ~~city council of the city in which the stadium is located shall be an elected public official of~~

20.1 ~~that city or of another political subdivision any part of whose territory is shared with that~~  
20.2 ~~city.~~ Each member shall qualify by taking and subscribing the oath of office prescribed by  
20.3 the Minnesota Constitution, article V, section 6. The oath, duly certified by the official  
20.4 administering it, shall be filed with the chair of the Metropolitan Council.

20.5 Sec. 9. Minnesota Statutes 2004, section 473.553, subdivision 5, is amended to read:

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

20.13 Sec. 10. Minnesota Statutes 2004, section 473.556, subdivision 3, is amended to read:

20.14 Subd. 3. **Acquisition of property.** The commission may acquire by lease, purchase,  
20.15 gift, or devise all necessary right, title, and interest in and to real or personal property  
20.16 deemed necessary to the purposes contemplated by sections 473.551 to 473.599 and  
20.17 473.75 to 473.768 within the limits of the metropolitan area.

20.18 Sec. 11. Minnesota Statutes 2004, section 473.556, subdivision 4, is amended to read:

20.19 Subd. 4. **Exemption of property.** (a) Except as otherwise provided in this  
20.20 subdivision, any real or personal property acquired, owned, leased, controlled, used,  
20.21 or occupied by the commission for any of the purposes of sections 473.551 to 473.599  
20.22 and 473.75 to 473.768 is declared to be acquired, owned, leased, controlled, used and  
20.23 occupied for public, governmental, and municipal purposes, and shall be exempt from  
20.24 ad valorem taxation by the state or any political subdivision of the state, provided that  
20.25 such properties shall be subject to special assessments levied by a political subdivision for  
20.26 a local improvement in amounts proportionate to and not exceeding the special benefit  
20.27 received by the properties from the improvement. No possible use of any such properties  
20.28 in any manner different from their use under sections 473.551 to 473.599 or 473.75 to  
20.29 473.768 at the time shall be considered in determining the special benefit received by the  
20.30 properties. All assessments shall be subject to final confirmation by the council, whose  
20.31 determination of the benefits shall be conclusive upon the political subdivision levying the  
20.32 assessment. Notwithstanding the provisions of section 272.01, subdivision 2, or 273.19,  
20.33 real or personal property leased by the commission to another person for uses related to  
20.34 the purposes of sections 473.551 to 473.599 or 473.75 to 473.768, including the operation  
20.35 of the metrodome, met center, and, if acquired by the commission, the basketball and

21.1 hockey arena shall be exempt from taxation regardless of the length of the lease. The  
21.2 provisions of this subdivision, insofar as they require exemption or special treatment, shall  
21.3 not apply to any real property comprising the met center, the ballpark, or the football  
21.4 stadium, which is leased by the commission for residential, business, or commercial  
21.5 development or other purposes different from those contemplated in sections 473.551 to  
21.6 473.599 or 473.75 to 473.768, as applicable.

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

21.10 Sec. 12. Minnesota Statutes 2004, section 473.556, subdivision 5, is amended to read:

21.11 Subd. 5. **Facility operation.** (a) The commission may equip, improve, operate,  
21.12 manage, maintain, and control the Metrodome, Met Center, basketball and hockey arena  
21.13 and sports facilities constructed, remodeled, or acquired under the provisions of sections  
21.14 473.551 to 473.599 and, to the extent provided in the applicable use agreements, 473.75 to  
21.15 473.768.

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

21.18 Sec. 13. Minnesota Statutes 2004, section 473.556, subdivision 6, is amended to read:

21.19 Subd. 6. **Disposition of property.** (a) The commission may sell, lease, or otherwise  
21.20 dispose of any real or personal property acquired by it which is no longer required for  
21.21 accomplishment of its purposes. The property shall be sold in accordance with the  
21.22 procedures provided by section 469.065, insofar as practical and consistent with sections  
21.23 473.551 to 473.599 and 473.75 to 473.768, except as provided in paragraph (c).

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

21.26 (c) The sale or disposition of property acquired in connection with the ballpark is  
21.27 not subject to the requirements of section 469.065, subdivisions 6 and 7. Title to the  
21.28 ballpark shall not otherwise be transferred or sold without approval by a law enacted  
21.29 by the legislature.

21.30 Sec. 14. Minnesota Statutes 2004, section 473.556, subdivision 12, is amended to read:

21.31 Subd. 12. **Use agreements.** The commission may lease, license, or enter into  
21.32 agreements and may fix, alter, charge, and collect rentals, fees, and charges to all persons  
21.33 for the use, occupation, and availability of part or all of any premises, property, or  
21.34 facilities under its ownership, operation, or control for purposes that will provide athletic,  
21.35 educational, cultural, commercial or other entertainment, instruction, or activity for the

22.1 citizens of the metropolitan area. Any such use agreement may provide that the other  
22.2 contracting party shall have exclusive use of the premises at the times agreed upon. The  
22.3 agreement related to the ballpark may provide that the other contracting party has the  
22.4 right to retain all revenues from ticket sales, suite licenses, concessions, advertising,  
22.5 naming rights, and other revenues derived from the ballpark. The lease or use agreement  
22.6 with a team using the ballpark must provide for the payment by the team of operating  
22.7 and maintenance costs and expenses and provide other terms the commission and team  
22.8 agree to.

22.9 Sec. 15. Minnesota Statutes 2004, section 473.556, subdivision 17, is amended to read:

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

22.23 Sec. 16. Minnesota Statutes 2004, section 473.556, is amended by adding a subdivision  
22.24 to read:

22.25 Subd. 18. **Web site.** The commission shall establish a Web site to provide  
22.26 information to the public concerning all actions taken by the commission. At a minimum,  
22.27 the Web site must contain a current version of the commission's bylaws, notices of  
22.28 upcoming meetings, minutes of the commission's meetings, and contact telephone and fax  
22.29 numbers for public comments.

22.30 Sec. 17. Minnesota Statutes 2004, section 473.561, is amended to read:

22.31 **473.561 EXEMPTION FROM COUNCIL REVIEW.**

22.32 The acquisition and betterment of sports facilities by the commission shall be  
22.33 conducted pursuant to sections 473.551 to 473.599 and 473.75 to 473.768 and shall not be  
22.34 affected by the provisions of sections 473.165 and 473.173. Minnesota Statutes, section



23.1 116J.994, does not apply to any transactions of the commission or any other governmental  
23.2 entity related to the ballpark or its related public infrastructure.

23.3 **Sec. 18. [473.5996] PROCEEDS OF METRODOME SALE.**

23.4 Upon sale of the Metrodome, the Metropolitan Sports Facilities Commission must  
23.5 transfer the net sales proceeds less costs of demolitions, if any, to the Metropolitan  
23.6 Council for use to fund transit improvements.

23.7 **Sec. 19. REPEALER.**

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

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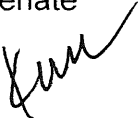
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MEMORANDUM

To: The Honorable Lawrence J. Pogemiller  
Chair, Taxes Committee  
Minnesota State Senate

From: Kathleen M. Lamb 

Date: May 1, 2006

Re: Hubert H. Humphrey Metrodome: Costs of Construction

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Senator Pogemiller: as requested in yesterday's hearing, attached are two schedules which set forth the funding sources for the Metrodome. The schedules were prepared by the Metropolitan Sports Facilities Commission.

Please let me know if you have any questions or comments.

cc: Roy Terwilliger  
William J. Lester

Enclosures

## Original Funding

**A** solid combination of government and private sources — including temporary taxes on hotel, motel and liquor sales; the sale of revenue bonds; and corporate and team contributions — helped ensure that the Metrodome's construction and early operations were on sound financial footing. Primary sources of income were:

- **Liquor tax:** A 2 percent metrowide tax on liquor sales was imposed for the no-site legislation. It raised \$8 million from 1977 to 1979, when the Legislature repealed it, claiming that the city where the stadium was located would benefit most from its presence and therefore should be responsible for backup taxes.
- **Corporate contributions:** The Industry Square Development Company raised money in the corporate community and donated land valued at \$8.7 million. An additional \$5.5 million in corporate money went to relocate a Hennepin County juvenile detention center from the site. Minnesota businesses contributed \$1 million toward construction of the Twins offices.
- **Revenue bonds:** The 1977 bill creating the MSFC also provided for the sale of up to \$55 million in revenue bonds. In 1979 the Metropolitan Council issued bonds that were backed by the City of Minneapolis, whose taxpayers would have to pick up the tab should the MSFC not meet debt service payment requirements. All the bonds were purchased by Northwestern National Bank of Minneapolis, First Bank Minneapolis, First Bank St. Paul and The St. Paul Companies.
- **Minneapolis hotel/motel/liquor tax:** After a site was selected, the City of Minneapolis accepted the tax, which applied at 3 percent on liquor sales and hotel/motel accommodations from 1979 to 1983, and 2 percent in 1984, to help fund stadium operations. The tax raised \$15.8 million.
- **Parking:** Minneapolis contributed a portion of revenues from three city-owned parking ramps from 1983 through mid-1993 — a total of \$4.4 million. The stadium continues to receive \$75,000 annually in revenue from Minneapolis parking meters. As of 1995, total revenue from parking was \$4.5 million.
- **Infrastructure:** The City of Minneapolis spent \$4 million to re-route sewer and water lines and streets to accommodate the new building.

Because nonconstruction costs were not included in the \$55 million figure, the full cost of the stadium is close to \$124 million. That includes investments by the Twins and Vikings for their exclusive space, investment by the City of Minneapolis for reconfiguration of streets and utilities, donation by the business community for land, and other improvements. The balance was paid by contributions and interest earned on the bonds.

### Outside funding:

<b>Public Sector:</b>	
Sale of bonds	\$55,000,000
Minneapolis hotel/motel/liquor tax	15,800,000
Metro liquor tax	8,000,000
Infrastructure	4,000,000
Parking	4,500,000
<b>Total:</b>	<b>\$87,300,000</b>

<b>Private Sector:</b>	
Corporate gifts of land for site	\$8,700,000
Corporate contributions for relocating detention center	5,500,000
Minnesota Vikings contribution	5,501,000
Minnesota Twins contribution	855,000
General Mills Vikings' ticket buyout	1,500,000
Corporate contribution for Twins offices	1,000,000
<b>Total:</b>	<b>\$23,056,000</b>

<b>Other:</b>	
Interest earned on investment of bond proceeds	\$13,211,000
Miscellaneous	125,000
<b>Total:</b>	<b>\$13,336,000</b>

**Grand Total** **\$123,692,000**

METROPOLITAN SPORTS FACILITIES COMMISSION  
 SCHEDULE OF OUTSIDE REVENUE SOURCES

PUBLIC SECTOR:

YEAR	METRO LIQUOR TAX	MPLS HOTEL/MOTEL LIQUOR TAX	MPLS PARKING AGREEMENT	TOTALS
8-1/12-77 METRO	634,135			634,135
1978	4,022,308			4,022,308
TO 7/31-79 METRO	3,376,146			3,376,146
8-1/79 MPLS TAX		931,333		931,333
1980		2,904,680		2,904,680
1981		2,976,589		2,976,589
DOME OPENS 1982		3,263,818	104,619	3,368,437
1983		3,228,765	315,865	3,544,630
1984		2,519,329	408,752	2,928,081
1985			420,768	420,768
1986			433,815	433,815
1987			437,044	437,044
1988			457,848	457,848
1989			476,279	476,279
1990			493,001	493,001
1991			508,863	508,863
1992			372,585	372,585
<b>TOTAL OUTSIDE REVENUE</b>	<u>8,032,589</u>	<u>15,824,514</u>	<u>4,429,439</u>	<u>28,286,542</u>

2% Metrowide tax Mpls. tax after site selection  
 3% Mpls. tax 1979 to 1983. 2% tax 1984. The tax was rescinded in 1985 after the sale of the Met Stadium  
 10 year agreement on 3 City owned ramps. These agreements expire in 1992/1993. The City retains all Dome event parking fees.

The Stadium will receive \$75,000 from parking meters. This continues in perpetuity

Senator Larry Pogemiller + Taxes Committee

Senator Pogemiller,

I urge you to use all legislative power to ensure that Hennepin County voters receive their entitlement to a vote by referendum for any increased taxes levied for stadium construction.

I've heard lawyers repeat a phrase that goes somewhat like this: "When the facts are against you, argue the law. When the law is against you, argue the facts." Those of us who favor a referendum are in a uniquely blessed position as both the law and the facts are on our side.


I believe that 297A.99 was written for a very good reason. Other than a perception by some that a referendum would not pass, there has been no justification for exempting the proposal is SF 2297 from the portions.

The proposed tax would be levied to construct a fair weather, primarily single-purpose structure that would be operated by a private corporation. *This would be like me buying an expensive Harley, then handing the keys to my neighbor, who will charge me by the hour when I want to ride it.* All this even though I have a perfectly fine mini-van, that is paid off, in my garage (i.e. the HHH Metrodome).

I have a point of view that perhaps the other members of the committee and Senate can appreciate, and it can best be summed up with a question: When you came to St. Paul, did you pledge to 'get by' or make the best decisions that you could? I understand that for many of the Senators, this vote would be easy because it doesn't levy a tax on their constituents, and therefore they could 'get by' in voting for the bill and derail the referendum.

I appreciate your time and effort in thoughtfully considering the implications of this bill, among many, many others, and I look forward to voting on a referendum this fall.

Sincerely,



John P. Zimmerman