



# STATE OF MINNESOTA

## Office of Governor Tim Pawlenty

130 State Capitol ♦ 75 Rev. Dr. Martin Luther King Jr. Boulevard ♦ Saint Paul, MN 55155

February 2, 2004

The Honorable Tim Pawlenty  
Governor, State of Minnesota  
130 State Capitol  
St. Paul, MN 55155

Dear Governor Pawlenty:

Pursuant to your charge in November 2003, which created the Stadium Screening Committee, I would like to submit the final recommendations of the Committee for your review and consideration. This committee was formed to provide information, analysis and advice that would assist you to decide if and how to proceed on a professional stadium proposal for the 2004 legislative session.


This 20-person committee, comprised predominantly of private citizens, deliberated intensively for approximately ten weeks. During this time, the committee heard testimony from the Twins and Vikings as well as the University of Minnesota. In addition, the committee received 26 submittals from interested parties, offering sites, financing plans and related concepts for our consideration. After extensive review and discussion, the committee recommends:

- The Governor and Legislature should act during the 2004 session to authorize both a football stadium and baseball park.
- The Governor should recommend a single bill to the 2004 Legislature addressing the needs of both baseball and football. This bill should be modeled after the 1977 Metrodome legislation, which set forth criteria that had to be met before construction could proceed.
- Professional baseball and football stadiums should be financed through a combination of team investment, fan contributions and host community revenues.
- Taxes imposed by host communities to finance stadiums should not be subject to voter referendum.
- A metropolitan stadium authority (MSA) should be created to lead stadium negotiations on behalf of the State of Minnesota and be authorized to determine when criteria have been met to move forward with stadium construction. The MSA should be given ample time to negotiate stadium deals. After completion of stadium construction, the MSA should be reconstituted to ensure that those public entities that provided the most financial support receive appropriate representation. The MSA should be empowered to:
  - Select final baseball sites in either the cities of Minneapolis or St. Paul and football sites in either the cities of Blaine or Eden Prairie.

- Own the professional baseball and football stadiums.
- Oversee leases with the teams.
- Seek provisions allowing the public to share in the increased value of teams upon sale.
- Make stadiums available for amateur sporting events.
- The University of Minnesota should be encouraged to pursue private financing for an on-campus football stadium.

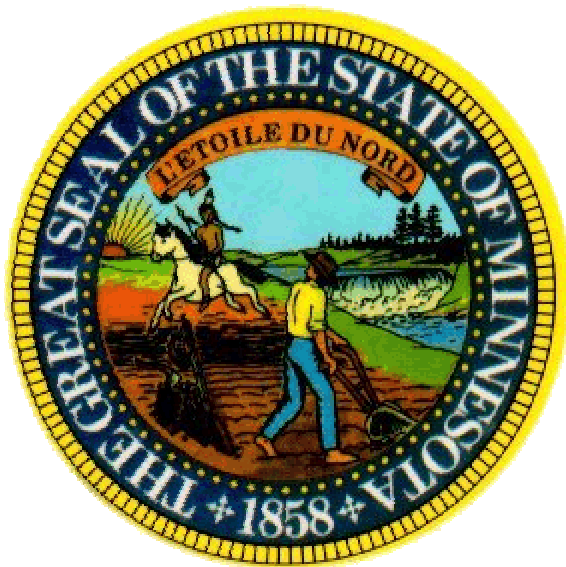
The dedication of time, expertise, insight and credibility that the members of this committee brought to this process was extraordinary. Thus, I would also like to recognize my fellow committee members for their outstanding work. The members of the committee appreciate your leadership on this issue and the opportunity to serve our great state.

Sincerely,



Dan McElroy  
Chair, Stadium Screening Committee

cc: Stadium Screening Committee Members  
Legislative Leadership  
Bob Schroeder  
Peggy Ingison



**STADIUM SCREENING COMMITTEE  
REPORT TO GOVERNOR TIM PAWLENTY**

**FEBRUARY 2, 2004**

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## STADIUM SCREENING COMMITTEE MEMBERS

### Chairman

DAN MCELROY, Commissioner of Finance

### Citizen Members

JAMI BESTGEN, St. Cloud; Sales and Marketing Consultant

MARY BRAINERD, Mahtomedi; President and CEO, HealthPartners

RENE DIEBOLD, Marshall; Attorney, Diebold Law Firm

DON GERDESMEIER, Minneapolis; Minnesota Teamsters Union/DRIVE representative

CLARENCE HIGHTOWER, Minneapolis; President and CEO,  
Minneapolis Urban League

LISA LEBEDOFF-PEILEN, St. Louis Park; Former state tourism director

ANNETTE MEEKS, Minneapolis; Director of Government Affairs and Public Programs,  
Center of the American Experiment

ROGER MOE, Erskine; Former Minnesota Senate Majority Leader

JERRY NORSEBY, Apple Valley; Retired, Ford Motor Company

MARILYN PORTER, St. Paul; Architect, Technical Services Division,  
St. Paul Public Housing Agency

TOM ROSEN, Fairmont; CEO, Rosen's Diversified

HENRY SAVEKOUL, Albert Lea; Attorney and Past Chair,  
Metropolitan Sports Facilities Commission (MSFC)

SCOTT THISS, Edina; Chairman and CEO, S&W Plastics and Chairman,  
Minnesota Chamber of Commerce

### Legislative Members

SENATOR STEVE KELLEY, DFL - Hopkins

SENATOR CAL LARSON, R - Fergus Falls

SENATOR LINDA SCHEID, DFL - Brooklyn Park  
Replaced SENATOR DEAN JOHNSON, DFL - Willmar

REPRESENTATIVE CONNIE RUTH, R - Owatonna

REPRESENTATIVE LOREN SOLBERG, DFL - Grand Rapids

REPRESENTATIVE STEVE STRACHAN, R - Farmington

## BACKGROUND

On November 4, 2003, Governor Tim Pawlenty announced the establishment of a 20 - member Stadium Screening Committee and charged it with making recommendations to him on how to solve Minnesota's stadium conundrum. The Governor made it clear from the outset that there are many state priorities that rank higher than professional sports. He also stated that Minnesota must strive to preserve its exceptional quality of life and cultural amenities in order to remain competitive in retaining and attracting a high quality workforce.

Through a series of meetings, beginning on December 9, 2003, and culminating on January 29, 2004, the Committee:

- Developed a work plan (see Appendix 1)
- Reviewed past stadium legislation, agreements and proposals
- Reviewed stadium development case studies from around the country
- Heard testimony from the Twins, Vikings and University of Minnesota
- Solicited proposals from interested communities, developers and private citizens
- Heard testimony from 10 respondents
- Discussed various financing, site selection and phasing ideas

From this work, the Committee developed five areas of critical importance for any stadium legislation:

- Financing
- Site Selection
- Governance
- Phasing
- Bill Framework

The 26 proposals received by the Committee provided a wide range of sites and financing ideas for consideration. After hearing from respondents and team representatives, the Committee met several times over a two-week period to develop a set of recommendations to the Governor. These recommendations are outlined in the next section.

## RECOMMENDATIONS

### FINANCING

**A. Professional baseball and football stadiums should be financed through a combination of team investment, fan contributions and host community revenues.**

The Committee believes that a combination of team contributions, fan contributions and host community revenues should fund construction of two stadiums. This financing arrangement ensures that the costs of new stadiums are focused on those who benefit from them. It is also consistent with the Governor's clear statements that he will not support a financing plan that includes State General Fund dollars or General Obligation bonds. The role of state government should be to facilitate the process and provide leadership on the stadium issue.

#### Financing Options

Teams	Fans	Host Communities
<ul style="list-style-type: none"> <li>• Upfront cash contributions</li> <li>• Lease payments</li> <li>• Payment of operating and maintenance expenses</li> </ul>	<ul style="list-style-type: none"> <li>• Ticket taxes</li> <li>• Parking surcharges</li> <li>• Personal seat licenses (PSLs)</li> <li>• Private placement bonds</li> <li>• Sports cable television surcharge</li> <li>• Commemorative stadium stock or brick</li> <li>• Team license plate</li> </ul>	<ul style="list-style-type: none"> <li>• Hospitality taxes (food/lodging)</li> <li>• Sales taxes</li> <li>• Tax increment financing (TIF)</li> <li>• Sale of development rights</li> <li>• Extend 2005 sunset of 6.2% auto rental tax (potentially metrowide)</li> <li>• Extend 2005 sunset of 2.5% alcohol tax (potentially metrowide)</li> </ul>

The teams' investment should be structured to maximize benefits to the public and the teams. For example, Major League Baseball's current revenue sharing agreement makes it more advantageous for the Twins to contribute through annual stadium rent payments. Revenue streams that are realized over time can be securitized to provide up-front capital for stadium construction or used to pay off long-term debt. The teams' payment of operating and maintenance expenses should also be considered part of their stadium investment.

Fan contributions can come in various forms, including ticket taxes, parking surcharges within the stadium district, personal seat licenses (PSLs), private placement bonds, sports cable television surcharge, commemorative stadium stock or brick and team license plate.

Host community revenues include a variety of hospitality (food/lodging/car rental) and sales taxes, tax increment financing (TIF), sale of development rights and extension of the 2005 sunset on special car rental and alcohol taxes (potentially metrowide). In some cases, using the state's credit may enhance the debt capacity of these revenues. Stadium projects may also be able to access state grants and loans for environmental remediation and economic development. If new baseball and football stadiums are constructed, proceeds from sale of the Metrodome as well as the Metropolitan Sports Facilities Commission (MSFC) reserves may be available to support stadium construction.

**B. A metropolitan stadium authority (MSA) should be created to lead stadium negotiations on behalf of the State of Minnesota and be authorized to determine when criteria have been met to move forward with stadium construction.**

It is important to ensure that host communities do not unnecessarily subsidize stadium construction. However, the Committee is also mindful that hard caps on government financial support may constrain negotiations. To balance these objectives, the MSA would have authority to review and approve the terms of any deal before it is finalized. In addition, stadium financing plans as well as the leases or use agreements should be reviewed and approved by the Commissioner of Finance prior to implementation.

**C. Taxes imposed by host communities to finance stadiums should not be subject to voter referendum.**

After thorough discussion on this topic, the Committee recommends that a referendum not be required for local taxes levied to finance stadiums.

**D. The MSA should be encouraged to seek provisions allowing public to share in the increased value of teams upon sale.**

The Committee believes that this requirement would further protect the public's investment in baseball and football stadiums. Any funds received under this provision should flow to the MSA for capital improvements on the facilities it owns.

## **SITE SELECTION**

**A. Two sites have been found viable for construction of a new professional baseball stadium (Hennepin County/City of Minneapolis and City of St. Paul).**

Hennepin County/City of Minneapolis and City of St. Paul have both demonstrated that they have viable sites for construction of a new baseball park (see Appendixes 3 and 4).



The Governor, Legislature and the MSA should not entertain any additional proposals for a baseball park.

**B. Two sites have been found viable for construction of a new professional football stadium (Anoka County/City of Blaine and City of Eden Prairie).**

Anoka County/City of Blaine has demonstrated that it has a viable site for construction of a new football stadium (see Appendix 5). The City of Eden Prairie has also presented land that may be suitable for a football stadium (see Appendix 6).

**C. The MSA should be empowered to select final baseball and football sites.**

Neither the Committee nor the Legislature is adequately equipped to select the final sites for baseball and football stadiums. Therefore, the Committee recommends that the MSA be tasked with independently determining the best site for each stadium. The Authority's decision would be final.

## **GOVERNANCE**

**A. The MSA should own the professional baseball and football stadiums and oversee leases with the teams.**

Both locally and nationally, professional sports teams have been allowed to control the scheduling, operation and maintenance of the facilities they occupy. The Committee believes that this model is efficient and relieves the public from the day-to-day work involved in operating a stadium. Opportunities may exist to condominiumize the facilities into publicly owned and privately owned assets. This allows owners to take full advantage of quickly depreciating assets that would reduce their overall tax liability. The MSA would negotiate, oversee and enforce team leases as well as negotiate which assets are privately owned.

**B. Teams should make stadiums available for amateur sporting events.**

Both the Target Center and Xcel Energy Center leases include provisions requiring that the facilities be made available for amateur sporting events. The MSA should ensure that the leases for new baseball and football stadiums also include such provisions.

**C. After completion of stadium construction, the MSA should be reconstituted to ensure that those public entities that provided the most financial support receive appropriate representation.**

Professional sports stadiums are a statewide resource that should be governed by representatives from across the state. The initial composition of the MSA should be outlined by the Legislature and appointed by the Governor. The MSA should include a cross-section of citizens with broad statewide representation and a diversity of expertise.

However, the state should recognize that host communities who contribute significant tax revenues to stadium construction have an enhanced level of interest in the governance of the facilities. Consideration of these host communities should be taken into account upon formation of a reconstituted public ownership authority. The Committee recommends that the MSA be reconstituted once stadium construction has been completed.

## **PHASING**

### **A. The University of Minnesota should be encouraged to pursue private financing for an on-campus football stadium.**

The Committee recognizes that it will be necessary to build a third stadium for use by the University of Minnesota. If left as the sole tenant in the Metrodome, the University will be unable to generate enough revenues to pay for the operating expenses of the facility. The Committee believes that the University should be encouraged to pursue private financing first and if necessary seek state support for an on-campus football stadium.

### **B. The Governor and Legislature should act during the 2004 session to authorize both a football stadium and baseball park.**

The Committee recommends moving forward with a financing framework and criteria for both professional baseball and football stadiums. The Twins are operating without a long-term lease and could face contraction when the current Major League Baseball collective bargaining agreement expires in 2006. Although the Viking's lease runs through 2011, work must begin now to complete a stadium within that timeframe and secure G-3 loan funds while they are still available from the National Football League.

### **C. The MSA should be given ample time to negotiate stadium deals.**

The Committee believes it is important for this process to be resolved in a timely manner. While members agree that a deadline for concluding stadium negotiations should be set, the timeline should not constrain the ability of the host communities or the MSA to achieve the best possible deal on behalf of the public. Separate deadlines should be established for baseball and football.

## **BILL FRAMEWORK**

### **A. The Governor should recommend a single bill to the 2004 Legislature addressing the needs of both baseball and football.**

Both the Twins and Vikings are important community resources that should be retained. Presenting separate bills for each sport runs the risk that one team will be left behind and ultimately lost.

**B. The bill should be modeled after the 1977 Metrodome legislation, which set forth criteria that had to be met before construction could proceed.**

The Legislature is not the place for stadium deals to be negotiated. Therefore, legislation should simply enable the proposed financing structure and set forth criteria that must be met prior to construction (see Appendix 7). The MSA and the host communities will then negotiate the details of the deals with the sports franchises.

# STADIUM SCREENING COMMITTEE

## WORK PLAN

November 4 – Governor’s announcement of Stadium Screening Committee chaired by Commissioner McElroy and “Invitation for Submissions” from cities, counties, developers and other interested parties

November 18 – Announcement of Screening Committee Members

December 9 – Screening Committee Meeting (12:30 - 4:30 pm) @ State Capitol Room G-15

December 16 - Information Session for Stadium Submittals (1:30 – 3:00 pm) @ Centennial Office Bldg, Ziegler Conf Room

January 6 – Screening Committee meeting (12:30 - 4:30 pm) @ State Office Building Room 5

- Presentations by Twins, Vikings and U of M
- Discuss evaluation criteria for submittals

January 15 @ 4 pm – Deadline for Submittals

January 19 @ 11 am – Screening Committee conference call to approve qualified respondents

January 20 and 21 – Qualified respondents invited to present to the Screening Committee and Screening Committee discussion (8:30 am – 4:30 pm) @ State Office Building Room 5

January 26 @ 12:30 pm – Screening Committee conference call to further discuss recommendations

January 29 – Screening Committee meeting to review and approve final recommendations (12:30 - 4:30 pm) @ State Office Building Room 5

February 2 – Transmit Screening Committee Recommendations to the Governor

Proposal to Governor Tim Pawlenty's  
**STADIUM SCREENING COMMITTEE**



# The Minnesota Urban Ballpark

Located in the Historic Minneapolis Warehouse District



*submitted by*

**Hennepin County** *and*



**Minneapolis**

*City of Lakes*

January 15, 2004

Prepared by Albersman & Armstrong, Ltd. - Suite 411 - 333 Washington Avenue North - Minneapolis Minnesota 55401

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

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

Hennepin County, 300 South Sixth Street, Minneapolis, MN 55487

City of Minneapolis, 350 South Fifth Street, Minneapolis, MN 55415

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

This submission includes a proposal for a:

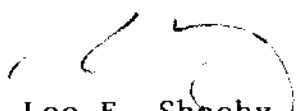
- Baseball Stadium
- Football Stadium
- Combined Facilities

**CERTIFICATION AND WAIVER**

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

  
Respondent

By Richard P. Johnson  
its Deputy Administrator

  
Lee E. Sheehy

Director of Community Planning  
and Economic Development



January 15, 2004

Stadium Screening Committee  
State of Minnesota Department of Finance  
400 Centennial Building  
658 Cedar Street  
St. Paul, Minnesota 55155

Dear Stadium Screening Committee Members,

Hennepin County and the City of Minneapolis, home to the Minnesota Twins for more than twenty years, are pleased to submit this proposal to Governor Tim Pawlenty's Stadium Screening Committee. If the Legislature and Governor Pawlenty choose to promote new sports facilities, the Minneapolis Warehouse District remains the premier, sensible location for a Twins ballpark for numerous reasons. To name a few:

The Warehouse District Ballpark site (also known as the Rapid Park Site) **is nestled within \$400+ million of existing infrastructure which is a 5-minute walk** from over 23,000 fan-friendly parking spaces served by immediate freeway/highway access with proven capacity, skyway connections, and nearby bus and light rail stations.

The Warehouse District Ballpark site has the unique advantage of a **"willing seller", of an assembled site**, who has endorsed this proposal.

The Warehouse District Ballpark site is located **within the State's premier entertainment/hospitality district** with key fan amenities, including hundreds of restaurants, bars, shops, hotels, and theaters, as well as 3,395 hotel rooms connected by skyway to the Ballpark site.

The Warehouse District Ballpark site has the clear fan advantage, with **nearly 200,000 potential fans each workday in Downtown Minneapolis**. It also boasts Minnesota's largest stadium and convention facilities with a history of hosting several national sporting and major visitor events.

The Minneapolis Warehouse District Ballpark site is far and away the **most fiscally responsible and developable, serving the interests of the State, Region, team, and the fans**.

The initiation of the Stadium Screening Committee recognizes the statewide nature and importance of the sports facilities challenges facing the state. We look forward to working with the Committee, the Governor and the Legislature to confirm that the Minneapolis Warehouse District Ballpark site is superior, and to ensure a successful conclusion for the State, Region, fans, and the team.

Sincerely,

Handwritten signatures of Randy Johnson and Mark Stenglein.

Randy Johnson, Chair  
Mark Stenglein, Vice Chair,  
Hennepin County Board  
Of Commissioners

Handwritten signatures of R.T. Rybak and Paul Ostrow.

R.T. Rybak, Mayor  
Paul Ostrow, Council President  
City of Minneapolis



*“This (the Warehouse District Site) has the potential to be one of the best urban ballparks in the United States”*

**Jerry Bell, President  
Twins Sports Inc.**



## Introduction

The Minneapolis Warehouse District site is the vastly superior site for a Minnesota Twins ballpark. A new ballpark is a major real estate development with three critical factors for success: “location, location, location.” The Minneapolis Warehouse District Ballpark Site is “*The Location.*” And here are just some of the Site advantages:

- Hundreds of Millions of Dollars in Existing Infrastructure Serving Fans Throughout the Region
- Unparalleled Accessibility via Freeway and Multiple Transit Options
- Most Cost Effective, Developable Ballpark Site
- Willing Seller of Assembled Site
- Site Accommodates Twins Design Criteria

This site is perfectly suited for a ballpark, and will reinforce existing and new development in this dynamic area of downtown Minneapolis. Situated near the neighboring Warehouse/Entertainment district, it will provide energy and vitality on game days, yet will not detract from urban activities during non-game days. Furthermore, this site is already a major center for transit in the region with more service on the way. It presents enhanced opportunities for concessions and year-around business in and around the Ballpark. One could imagine a restaurant located in the Ballpark patronized by transit users and others already located in the Warehouse District, and much more!!

This proposal addresses topics in the order set forth in the Invitation for Proposals from the Stadium Screening Committee dated November 4, 2003. It incorporates a Ballpark design acceptable to the Minnesota Twins and consistent with the Invitation for Proposals (“IFP”) which requests a “site that can accommodate the needs of the team”.

**The Minneapolis Warehouse District Ballpark Site is far and away the most fiscally responsible and developable serving the interests of the State, Region, team, and the fans.** Hennepin County and the City of Minneapolis (“Warehouse District Ballpark Proposers”), recognize that the Ballpark design endorsed by the Twins may raise policy and fiscal implications which should be addressed with the Twins and other policy-makers and stakeholders. In this context, the Proposers endorse the superior Warehouse District Ballpark Site. Hennepin County’s financing plan anticipates that it will be designated by the State as the public entity that will do the Ballpark transaction, with authorities and tools granted by the Legislature allowing Hennepin County to negotiate the specifics with the team.

## Site - 1. Location & Size: Superior Site for State, Region, Fans and Team

HOK, consultant to the Screening Committee, is the most prolific designer of major league baseball stadiums in America. HOK designed Coors Field in Denver, Pacific Bell Park in San Francisco, Jacobs Field in Cleveland, Comerica Park in Detroit, Minute Maid Park in Houston, and Oriole Park at Camden Yards in Baltimore. This proposal is based upon a conceptual design which meets HOK design criteria to ensure this site can successfully accommodate the Twins needs and design. Moreover, a new Ballpark can be built and operated efficiently and cost-effectively on this site for the benefit of the State, Region, fans, and team.










*“Land Partners II endorses this proposal and is willing to sell the property required for a new ballpark.”*

Bruce Lambrecht,  
President  
Investment Management  
Inc.

Land Ownership

	Public/Other	10.5
	Land Partners II	8.0
	Burlington RR	1.8
	Air Rights Only	
	Site Limits	
Total Acres:		20.3

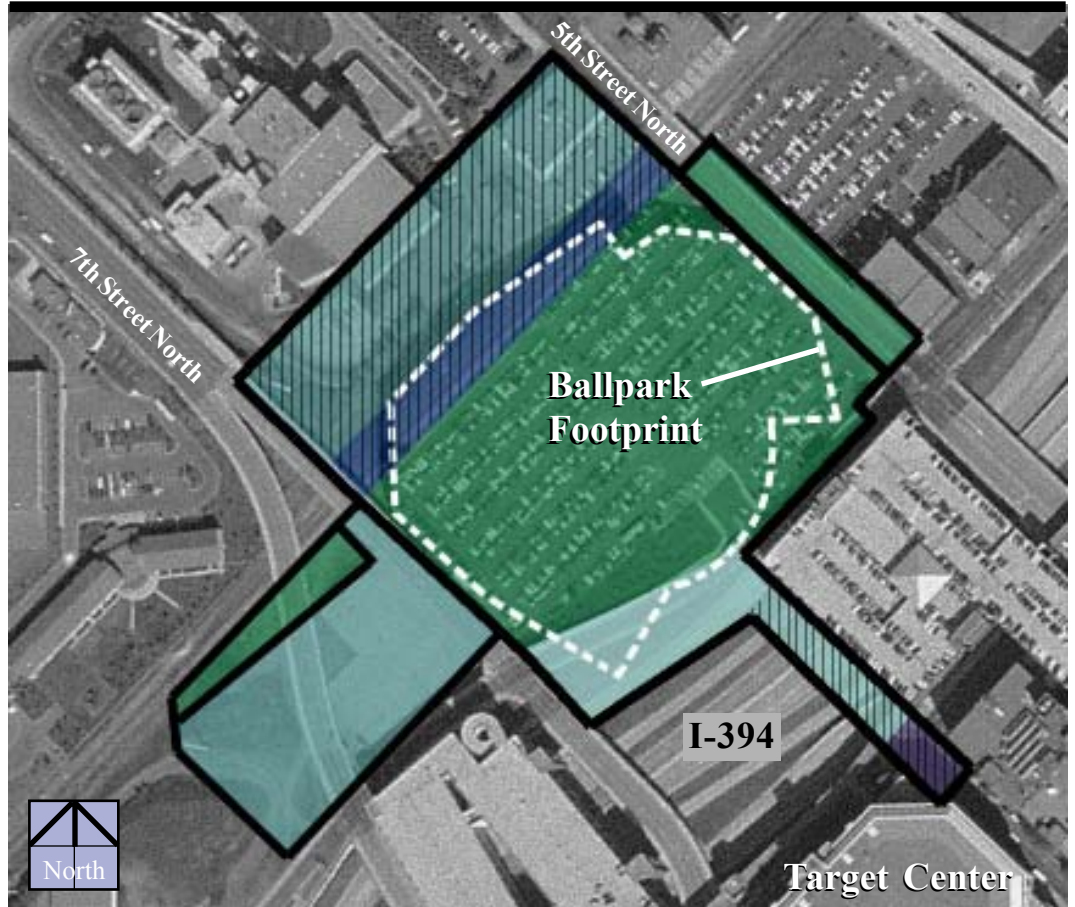
*This site is destined to become a major center for transit in the area. The additional activity will enhance opportunities for concessions and other business in and around the stadium.*

**A. Premier, Assembled Site with Willing Seller**

The proposed site for the Twins Ballpark is located about one block northwest of the Target Center between Fifth Street North and Seventh Street North. The site boundaries described in Figure 1 reflect the property requirements of the Twins design. The site as shown is approximately **20 acres and will accommodate a premier facility** comparable in size to the San Francisco Giants’ Pacific Bell Park, the Cleveland Indians’ Jacob Field, and the Pittsburgh Pirates’ PNC Park. The Site incorporates the Twin’s design

**Figure 1: Site Boundaries and Ownership**

Source: Land Partners II, HOK Sport



elements of a **1,050,000 square foot ballpark with seating for 42,000 fans and includes sixty private suites, ten party suites, two owners’ suites, plus club seating for 4,300.** The orientation of the site provides a panoramic view of the Minneapolis skyline from the infield seats (Figure 2) with sun angles ideally suited for the players in afternoon and evening ball games (Figure 3).

In considering this site and comparing it to others, please consider Twins Sports President Jerry Bell’s testimony before your Committee concerning the fatal flaws of the failed Saint Paul ballpark proposal. He identified three critical flaws: Site assembly and related acquisition and relocation costs; environmental risks; and infrastructure costs to provide a first class facility for the fans. The Minneapolis Warehouse District Ballpark Site avoids each of these flaws.



*“It’s a perfect location, and I believe it is the location the Pohlads prefer.”*

Sid Hartman,  
Star Tribune

**Major Events Hosted by Minneapolis:**

- 1985 Major League Baseball - All Star Game
- 1987 Major League Baseball - World Series
- 1990 Olympic Festival
- 1991 U.S. Figure Skating Championships
- 1991 Major League Baseball - World Series
- 1992 National Collegiate Athletic Association - Men’s Basketball Final Four
- 1992 National Football League - Super Bowl
- 1994 National Basketball Association - All Star Game
- 1995 National Collegiate Athletic Association - Women’s Basketball Final Four
- 1998 World Figure Skating Championships
- 2001 National Collegiate Athletic Association - Men’s Basketball Final Four

**Figure 2: The Minneapolis Skyline**

Source: Minnesota Twins Organization



**Figure 3: Ballpark Site and Orientation**

Source: Albersman & Armstrong, Ltd.



This site is developable with a willing seller and surrounding public ownership. Eight acres of the Site are currently used as a private surface parking lot. The owners of this real estate have expressed a willingness to sell the property for a new ballpark. All of the remaining required property is controlled by governmental agencies including the City of Minneapolis, the Minnesota Department of Transportation, and Hennepin County. The acquisition of air rights would be required from Burlington Northern to accommodate the overhang of the infield bleachers and the retractable roof.

The Committee should carefully evaluate any other sites which require condemnation, including implications of recent court decisions like *Walser v. City of Richfield* and the sufficiency of acquisition and relocation cost projections. The Twins’ prior experience should guide the Committee and not be repeated.



## B. Environmental Review

A Phase I environmental assessment of the Site has been conducted by Conestoga-Rovers & Associates and reveals no contamination. In addition, the City of Minneapolis Environmental Management also conducted a site review for the proposed Ballpark site and adjoining properties. The records searched included the EPA registered sites, the MPCA databases for leak sites, tanks and contamination, along with Minneapolis Fire Department tank permits, and Environmental Management’s permits, complaint reports, and site files.

Records indicate that there were two heating oil tanks on the site. These tanks may have been removed before permitting was required, or are still on-site. The site has no record of contamination, and no other conditions were found that would indicate the presence of contamination.

The nearby Covanta-Hennepin Energy Resource Company (HERC), Hennepin County’s resource recovery facility, presents opportunities, including a “green” source of heat and energy for the Ballpark. As a neighbor, HERC performs well within environmental limits. For example, HERC emissions consistently test below the MPRC limits - 80% below limits on average. Likewise, Hennepin County will manage operations so that off-site odors are not a concern.

An Environmental Impact Study (EIS) is required for construction of a new ballpark per Minnesota statute 4410.4400 subpart 22. Hennepin County and /or the City of Minneapolis will serve as the Responsible Government Unit (RGU) and have taken initial steps in this process. Given the substantial amount of analysis of the Warehouse District Ballpark site in the last two years, an EIS process would be thorough, thoughtful, efficient, and prompt.

Similar to other Environmental Impact Studies conducted in Downtown Minneapolis in recent years, the scoping for this EIS will include (1) adopted city plans, (2) air quality standards, and (3) historic resources. Because the necessary infrastructure to meet Ballpark needs exists, an EIS will be necessary for the site only. Based on our experience as host of the Metrodome for the last twenty years, and our environmental investigations for other projects in the vicinity of the proposed Ballpark site, it is anticipated that adverse environmental impacts are unlikely and, if identified, can be mitigated. The City of Minneapolis and Hennepin County have substantial capability to detect and respond to any environmental impacts that arise from conducting an EIS for this project.

### Site advantages:

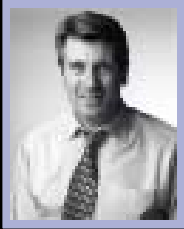
- Site Control
- Convenient Parking
- Convenient Transit
- Thoroughly Studied Site
- Unparalleled Accessibility
- Avoids Fatal Flaws of Past



*“Based on our experience and the information we have reviewed, I believe that the soils at the Rapid Park site will be easier to work with than Miller Park, Soldiers Field, or Spartan Stadium.”*

**James Overtoom, P.E.**  
**Principal Engineer**  
**STS Consultants, Ltd.**

STS Consultants, Ltd. is a geotechnical engineering firm with over 100 years of combined experience including projects such as Milwaukee (Miller Park), Green Bay (Lambeau Field), Chicago (Soldiers Field), as well as the Petronas Towers in Malaysia (the tallest building in the world).



*“Minneapolis has every advantage for a new ballpark site and is the best use of public dollars. The millions of dollars in infrastructure investment, adjoining warehouse district and transportation hub make this the obvious choice for the State, Region, fan base and the team. We are thrilled to be a part of this process!”*

R.T. Rybak,  
Mayor  
Minneapolis

*A ballpark located in Hennepin County would provide the greatest accessibility in terms of travel distance to the ballpark.*

## Site - 2. Accessibility

### A. Fan Advantage

A ballpark located in Hennepin County would provide the greatest accessibility through the shortest routes to the Ballpark for the greatest number of fans. **Fans that reside in Hennepin County represent, by far, the largest Twins fan base.** 55% of all ticket sales in the seven county metropolitan area and 47% of all season ticket sales were from Hennepin County. Hennepin County residents buy more than three times the amount of Twins tickets than the county with the second highest number of Twins ticket sales.

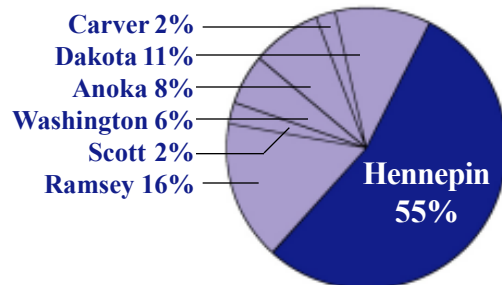
Likewise, the Warehouse Hospitality and Entertainment neighborhood provides ample facilities for the over 300,000 visiting fans.

Finally, the Warehouse District Site will be directly connected by Light Rail to the MSP International Airport, Mall of America, and Bloomington hospitality community. In fact, at least sixty cities are within 30 minutes of the Ballpark site via the superb freeway, highway, bike paths, and transit systems serving the site (see side bar page 10).

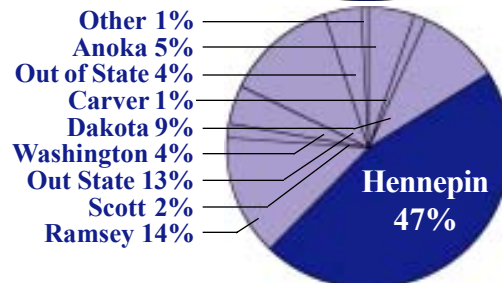
**Figure 4: 2003 Twins Ticket Sales**

Source: Minnesota Twins

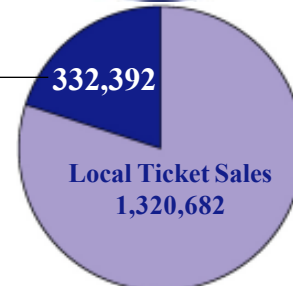
## Seven County Metro Area (2003 Ticket Sales)



## Total Population (2003 Season Ticket Sales)



## Fans Requiring Lodging (Out-State & Out of State Ticket Sales Total)





*“When you consider what’s best from a regional perspective, this Site is it - transit, existing infrastructure, and a walkable connection to downtown. This was the conclusion of the C-17 Citizens Committee - build a transit-oriented compact ballpark in an urban neighborhood.”*

Nick Koch,  
Co-Chair, AIA  
Minneapolis Urban  
Design Committee

*This existing highway infrastructure makes this site easily accessible for residents of the Metropolitan Area and from Greater Minnesota.*

### B. Site Easily Accessible from Everywhere

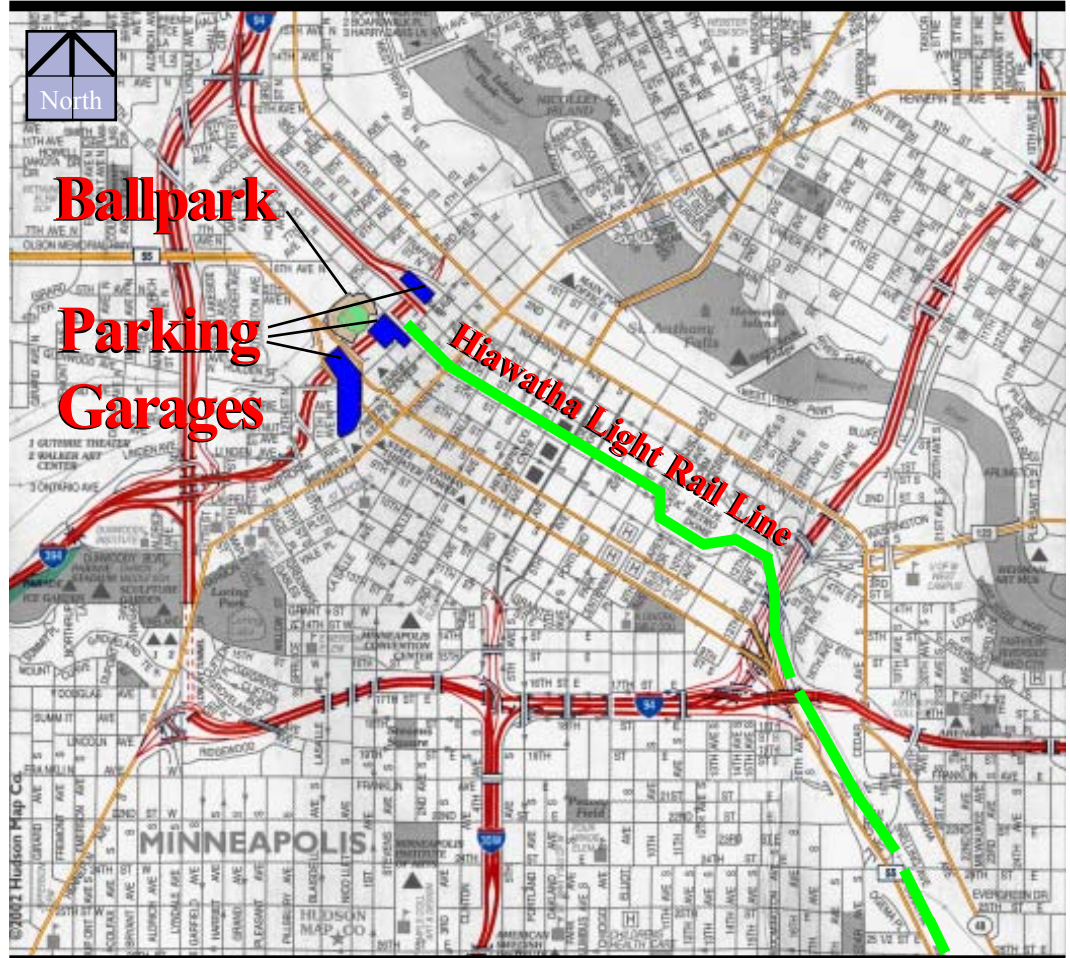
Highways converge on the Site from all directions, making it easily the most accessible site in the Twin Cities. Interstate 394 from the west, Interstate 94 from the east and northwest, Highway 55 from the west, and Interstate 35W from the south and north. The Site is served by four major freeways/highways and accompanying interchanges which each day serve comparable or larger volumes. **No new roadways or interchanges are required for patrons to access the Site.** The existing freeway/highway system and interchanges will remain intact.

As can be seen from Figure 5, the site is strategically positioned to serve the Twins fan base very well. This existing freeway/highway infrastructure makes this site easily accessible for fans from throughout the State. **This Ballpark site is well within the PROVEN capacity of the supporting transportation system and, in fact, will enhance effective utilization of existing regional transportation infrastructure.**



**Figure 5: Ballpark Site Freeway Accessibility**

Source:  
Albersman & Armstrong, Ltd., MNDOT

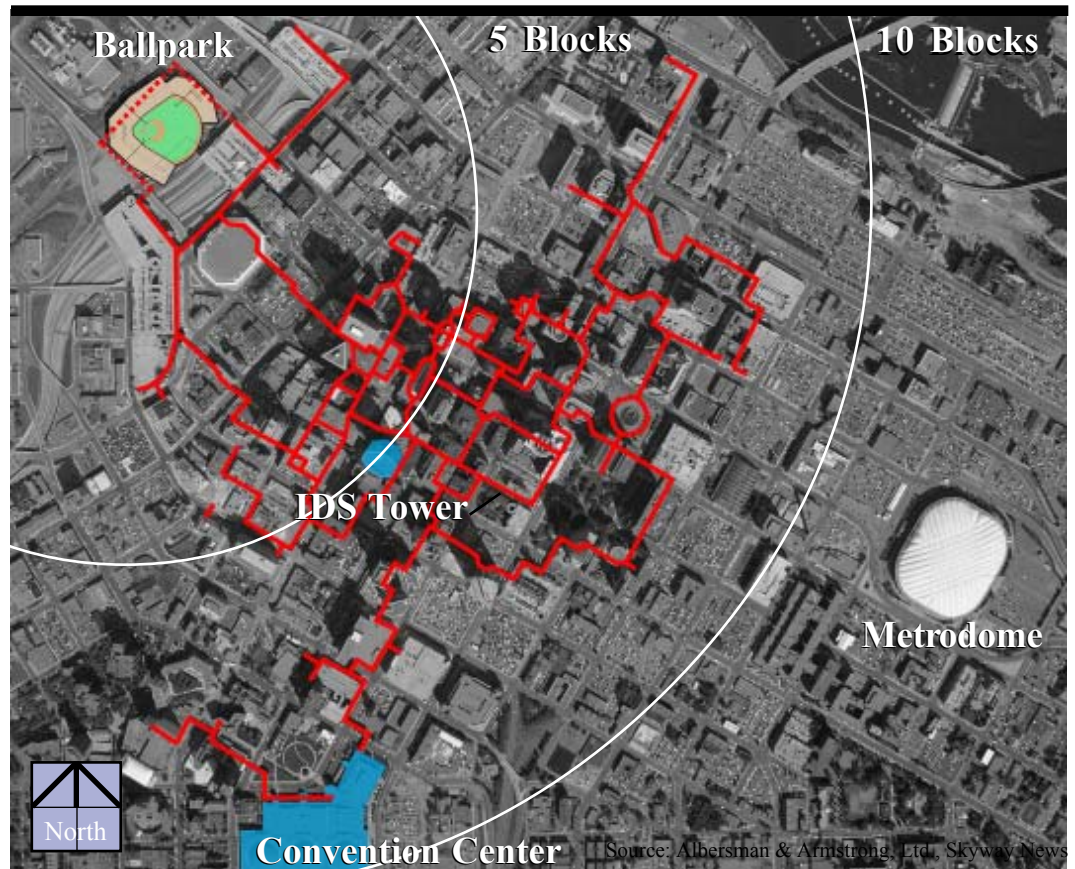




The extensive skyway system in downtown Minneapolis is a short distance from the Ballpark site (Figure 6). Twins fans could park virtually anywhere in the Minneapolis Central Business District and walk in the climate controlled skyway system to the Ballpark. Whether patrons are walking at street level or in the skyway system, they will be walking through the heart of the Minneapolis Warehouse / Entertainment District. Within a brief walk of the Ballpark, there are 172 food and entertainment establishments and 3,395 hotel rooms. Access to the skyway system will also make the Site more attractive for private development adjacent to the ballpark.

**Figure 6: Minneapolis Skyway System**

Source:  
City of Minneapolis Planning Department



*“There are more hotels and restaurants within walking distance of this site than can be found within walking distance of any other site in the state!”*

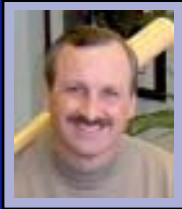
**Russ Nelson,**  
Chair of the Minneapolis  
Downtown Council

*Twins fans could park virtually anywhere in the Central Business District and walk in the climate controlled skyway system to the ballpark.*

## Site - 3. Parking & Infrastructure

### A. Hop, Skip and Jump Access

According to the Committee’s consultants, a new ballpark with a 42,000-seat capacity at the Warehouse District site will require approximately 12,700+ parking spaces. This site has abundant parking to more than satisfy that criteria within a five-minute walking distance. **There are approximately 23,249 parking spaces available to the public within five blocks of the Warehouse District Site.** The Fifth Street, Fourth Street and Seventh Street TAD Garages contain approximately 7,745 parking spaces virtually connected to the new Ballpark. An additional 15,504 parking spaces are within five blocks of the Site. These parking spaces provide parking for downtown employees during the day, but are highly underutilized during the evening hours. Complementary utilization by Ballpark fans will serve the State, the Region, and the fans in a fan-friendly, economically efficient, and environmental sound fashion.



*“It (the Warehouse District Ballpark Site) reminds me of the Coors site... But, it has much better parking”*

Earl Santee,  
Senior Principal  
HOK Sports

**Public Parking**

- City Managed
- Privately Managed

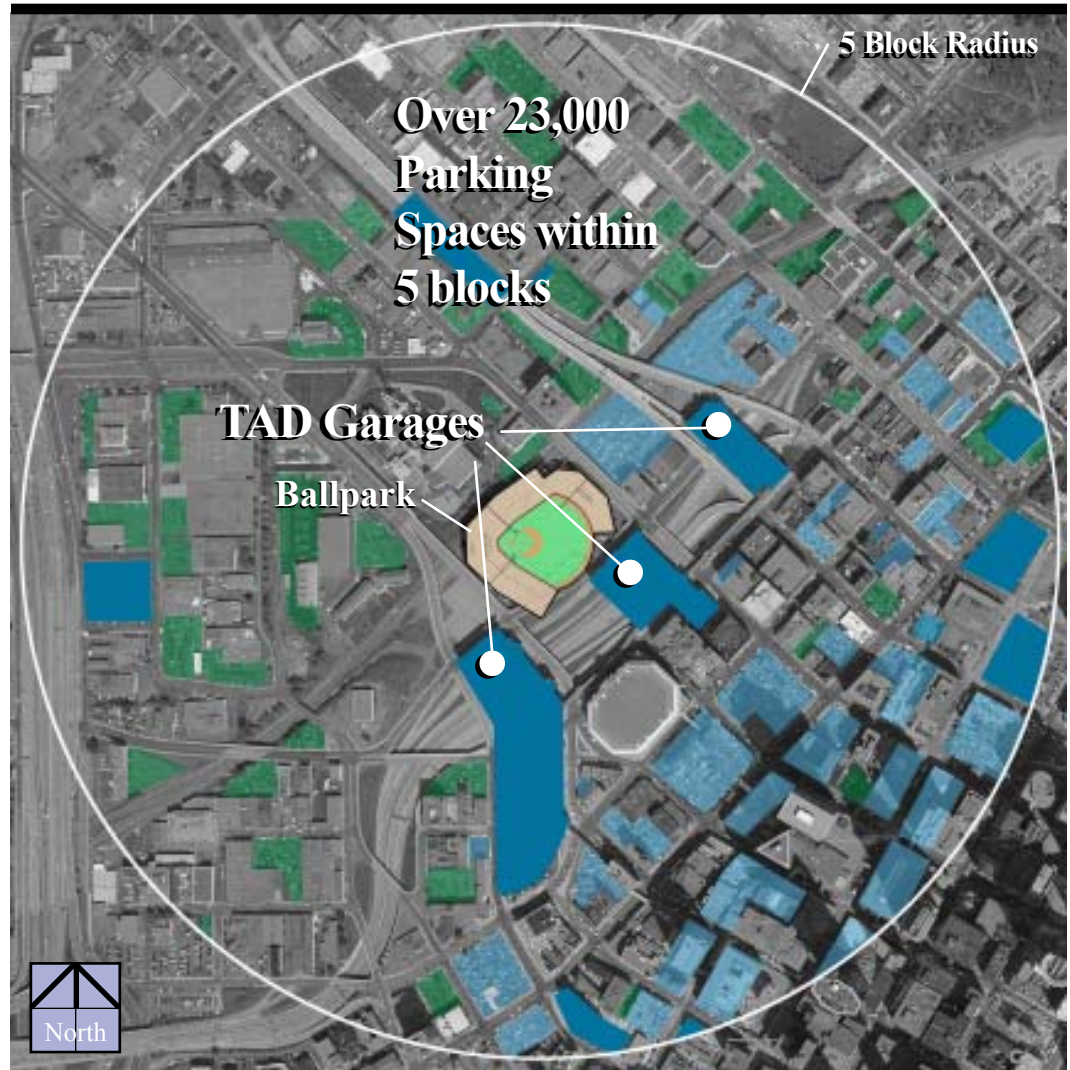
**Other**

“Other” indicates parking not included in totals, but have potential to provide additional parking for the ballpark.

*The existing parking supply gives this site an enormous advantage over any other comparable site.*

**Figure 7: Adjacent Parking Supply**

Source: City of Minneapolis



Looking for a moment at complimentary utilization, the occupancy characteristics of the garages are ideally suited to satisfy fan parking for Twins ball games. Starting around 5:00 PM during weekdays, the occupancy drops off dramatically and by 7:00 PM at least 75% of the TAD Garages space, for example, would be available for fans. The Twins report that typically, only 6 of 81 home games are held at Noon on a weekday so there are ideal parking and access conditions for 92% of the games and superior conditions for the other 8% within five blocks of the Site

**Twins Game Schedule Projections:**

Day of Week	Time	Games	Total
M-F Weekday Nights	7:00 PM	49	60%
M-F Weekday Days	12:00 Noon	6	8%
Weekend Nights	6:00 PM	13	16%
Weekend Days	1:00 PM	13	16%
<b>Total Games</b>		<b>81</b>	<b>100%</b>



*Cities within a 30 minute drive of the Ballpark site include:*

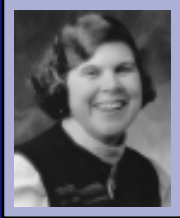
- Minneapolis
- St. Paul
- Anoka
- Champlin
- Coon Rapids
- Blaine
- Lexington
- Circle Pines
- Brooklyn Park
- Brooklyn Center
- Fridley
- Spring Lake Park
- Moundsview
- New Brighton
- Shoreview
- Arden Hills
- Vadnais Heights
- Little Canada
- Gem Lake
- North St. Paul
- Oakdale
- Maplewood
- Roseville
- St. Anthony
- Falcon Heights
- Lauderdale
- Columbia Heights
- Hilltop
- Crystal
- New Hope
- Robbinsdale
- Maple Grove
- Plymouth
- Medicine Lake
- Golden Valley
- Long Lake
- Orono
- Wayzata
- Woodland
- Deephaven
- Minnetonka
- St. Louis Park
- Hopkins
- Edina
- Eden Prairie
- Shakopee
- Richfield
- Bloomington
- Savage
- Burnsville
- Apple Valley
- Eagan
- Mendota Heights
- Inver Grove Heights
- Mendota
- Lilydale
- St. Paul
- West St. Paul
- Lake Elmo
- Woodbury

The existing freeway/highway system, parking spaces and transit options give this Site an enormous advantage over any other comparable site. In fact, this Site is nestled within \$400+ million of existing, environmentally sound, efficient infrastructure. Here's a quick summary.

Parking garages located in urban sites are very expensive to build because of site constraints and land costs. Using the Committee consultant's conservative assumption that a parking space has a "value" or cost of \$15,000 per space (NOT including land acquisition), the existing parking space infrastructure within 5 blocks of the Warehouse District Ballpark Site is worth over \$330 Million. The 7,745 parking spaces in the immediately adjacent TAD Garages alone are worth over \$116 million.

Moreover, the Warehouse District site is served by four major freeways and highways and their interchanges designed for high capacity and ready access to the site. Replicating this infrastructure of freeway/highway capacity and of interchange capacity would be \$150 million or more easily. Adding the value of transit infrastructure gives existing asset value well in excess of \$400 million.





*“A ballpark on the Rapid Park site will be a wonderful addition to our neighborhood. Not only will it create jobs for our people, it will make the area more safe and like our facility has done, it will literally light up the area the nights of all those games!!! I wholeheartedly support the plan and I will be praying for it!”*

**Mary Jo Copeland,  
Sharing and Caring  
Hands**

*This site has the availability of transit options, including Light Rail and Metro Transit Bus lines, that will reduce the 15,000 parking space requirement.*

## Site - 4. Transit Connections

### A. Fan Friendly, Environmentally Wise Transit Options

**No other site in the Twin Cities can boast of better linkages to the regional transit system either existing or planned.**

**Figure 8: Major Bus Routes in Downtown Minneapolis**

Source: MTC



#### 7th Street Transit Center

- RT 5 Brooklyn Center - Brooklyn Shopping Center  
North Minneapolis - Penn Ave, Fremont Ave  
South Minneapolis - Chicago Ave  
Richfield - Portland Ave
- RT 8 Downtown Minneapolis  
East Franklin Avenue
- RT 9 Prospect Park - Franklin Ave, East River Rd  
Minnetonka - Greenbrier Rd, Cedar Lake Rd  
St. Louis Park - Cedar Lake Rd, Louisiana Ave  
Golden Valley - Glenwood Avenue  
Minneapolis - Bryn Mawr Neighborhood, Glenwood Ave  
South Minneapolis - 3rd Ave So, 4th Ave So
- RT 19 Robbinsdale Transit Center  
Crystal  
Golden Valley  
North Minneapolis - Penn Ave No, Olsen Memorial Highway  
Cedar/Riverside  
South Minneapolis - Cedar Ave, 28th Ave  
Richfield  
Bloomington - Mall of America
- RT 22 Brooklyn Park  
Brooklyn Center - Brookdale Shopping Center  
North Minneapolis - Lyndale Avenue North  
South Minneapolis - 24th Street, Cedar Ave, 42nd St, 34th Ave
- RT 39 South Minneapolis - St. Mary's University
- RT 61 Hennepin Avenue  
Industrial Boulevard  
Marshall Fields Warehouse  
UPS  
St. Paul - Larper Ave, Arlington Ave, Arcade St, 7th Street  
Downtown St. Paul
- RT 134 Downtown Minneapolis  
I-94 University of Minnesota - Huron Station  
St. Paul - Cretin Avenue, Highland Park
- RT 194 St. Paul - Snelling Avenue, Highland Park
- RT 452 University of Minnesota - Washington Avenue  
West St. Paul - Oakdale Avenue, Highway 110  
Mendota Heights - Parkview Plaza
- RT 673 Minnetonka  
I-394 and County Road 73 - Park & Rides  
West Ridge

#### 5th Street Transit Center

- RT 3 University of Minnesota  
Dinkytown  
Como Avenue  
St. Paul - Maryland Ave, Energy Park, Front Ave, Rice St  
Downtown St. Paul
- RT 7 Downtown Minneapolis  
Cedar / Riverside  
South Minneapolis  
Minnehaha Park  
Ft. Snelling  
Minneapolis/St. Paul International Airport  
Bloomington - Mall of America
- RT 14 Robbinsdale - Robbinsdale Transit Center  
West Broadway Avenue
- RT 16 Downtown Minneapolis  
Minneapolis - University of Minnesota  
St. Paul - University Ave  
Midway Center  
State Capitol
- RT 50 Minneapolis - University of Minnesota  
St. Paul - University Avenue  
Midway Center  
State Capitol
- RT 94BCD University of Minnesota - Huron Station  
St. Paul - Snelling Ave  
I-94  
State Capitol  
Downtown St. Paul
- RT 353 & 355 Downtown Minneapolis  
Downtown St. Paul  
Woodbury
- RT 365 Downtown Minneapolis  
Downtown St. Paul  
New Port  
St. Paul Park  
Cottage Grove
- RT 673 Minnetonka - I394, Co. Rd. 73 Park & Rides  
Crescent Ridge Offices  
West Ridge  
Downtown Minneapolis



*“There is also a hard-edged practical aspect to these land use strategies - they will save public money. For the metropolitan transit and transportation system, putting growth where the infrastructure to support it already exists, means roads that don’t have to be built.”*

2030 Regional Development Framework REVIEW REGARDING BALLPARKS



**Bus Terminals**

The Fifth and Seventh Street Garage Transit Facilities provide direct connections to the Metro Transit bus network that fans out across the Metropolitan Area. In addition, suburban commuter bus service is located five blocks to the east along Marquette Avenue. Because this Site is located within 2 blocks of the Warehouse District/Hennepin Station on the Hiawatha Light Rail Transit Line, it will have excellent rail transit connections to the South Metro Commuter Shed.

The bus depot located in the Hawthorne Transportation Center currently houses the Greyhound and Jefferson Lines serving Greater Minnesota. It is three blocks from the ballpark site and is accessible via the skyway system.

As with the Metrodome, Charter bus service to the Warehouse District Ballpark Site would be easily accommodated.

**Rail Connections**

Several rail transit lines interact with or are adjacent to the Ballpark site.

Fully operational for any new Warehouse District Ballpark, Hiawatha Light Rail Transit (“LRT”) will run on Fifth Street from the Ballpark site, through downtown Minneapolis and along Hiawatha Avenue / Highway 55 South to the neighborhoods and communities in South Minneapolis, the Minneapolis / St. Paul International Airport, the City of Bloomington, and the Mall of America.

Planning is underway to add the first line of commuter rail service to the Twin Cities region through the Northstar Line which has the support of the Pawlenty Administration. This line will run to and from the North Loop in Downtown Minneapolis (connecting with LRT at the Ballpark site) connecting the site to points northwest.

Preliminary planning is underway to connect Downtown Minneapolis and the Hiawatha LRT to Downtown St. Paul (along University Avenue). The Central Corridor Light Rail Line would fork off of the Hiawatha Line near the east side of the Metrodome.

**Bike Path**

One unique feature of the Minneapolis Warehouse District Site is the ability to walk, jog, rollerblade or bike to the Site via the extensive trail system in the Metropolitan Area. Plans to expand these trails past the Ballpark Site are currently underway. Fans living in Hopkins, for example, would be able to “hop” on their bike and be at the Site in less than a half an hour.

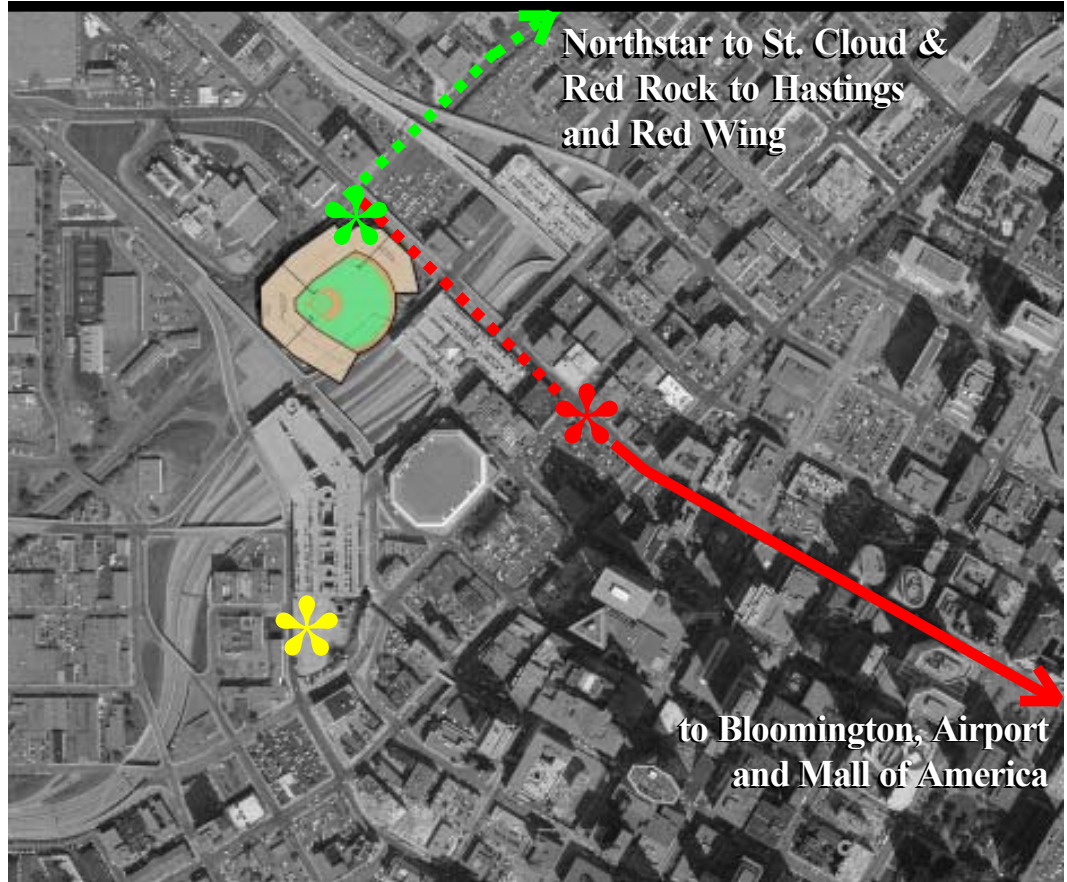
**Streetscape**

The Minneapolis City Council has approved a plan, which would provide a most hospitable pedestrian environment that would encourage walking between the Metrodome, the new Ballpark, the Downtown Core, Nicollet Mall, and the Entertainment District.



**Figure 9: Access to Greater Minnesota**

Source: Albersman & Armstrong, Ltd.



**Legend:**

-  Light Rail Station
-  Hawthorne Transportation Center (Greyhound/Jefferson)
-  Commuter Rail Station
-  Light Rail Line (LRT)
-  Proposed LTR Extension
-  Proposed Commuter Rail



*The following are Park & Ride facilities that provide good express service to Downtown Minneapolis:*

- Maplewood Transit Center
- Rosedale Transit Center
- Eagan Transit Center
- Mall of America
- Southdale Transit Center
- Southwest Station
- Hopkins Transit Center
- Plymouth Transit Center
- Louisiana Ave. Trans. Center
- Maple Grove Transit Center
- Northtown Transit Center
- Burnsville Transit Center
- Apple Valley Transit Center
- Foley Transit Center

The rapidly expanding Park & Ride system has long been used to transport employees to and from downtown, as well as to and from the State Fair. These facilities could also be employed to transport Twins fans from Park & Ride facilities in Eden Prairie, Eagan, Burnsville, and elsewhere. Likewise, the Park and Ride system will be utilized with Light Rail Transit to the Humphrey Terminal, Fort Snelling, and the Veteran’s Hospital in South Minneapolis and Bloomington.

**Site - 5. Stadium Related Development**

The Committee’s consultant HOK defined the “Stadium of the Future” to be:

- No longer a stand-alone building
- A platform to complete a city or fill gaps in a city
- Supports construction of new infrastructure
- Contains all the elements needed to sustain city life
- Includes residential, commercial, and retail

The Minneapolis Warehouse District Ballpark site hits a home run when served up with these criteria.

Development of sports facilities should complement existing and planned activity in the vicinity rather than expecting the ballpark to be the prime stimulus for new development. The Warehouse District site is just such a location.



Ballpark patrons will be able to walk to the adjacent Warehouse Entertainment District, and along the Nicollet Mall, located in downtown Minneapolis. The additional activity from the Ballpark will make what is already Minnesota’s premier entertainment area even better and connect this area’s infrastructure from north and south and east and west.

**Figure 10: Stadium Related Development**

Source: Albersman & Armstrong, Ltd.



*“A new ballpark in this area will accelerate the pace of development that is already underway in the North Loop area of downtown Minneapolis.”*

**Rick Collins,  
Vice President  
Ryan Construction**

*Ballpark patrons will be able to walk to the adjacent warehouse entertainment district, and along the Nicollet Mall located in downtown Minneapolis. The additional activity from the ballpark will make what is already Minnesota’s premier entertainment area even better.*

East and Northeast of the Ballpark site: This neighborhood is intended to be mixed-use development similar to the Warehouse District. Several nearby development sites can include new commercial and residential spaces for those who seek to live and work within the entertainment district. Street-level retail is encouraged throughout the District, particularly in locations along North 5th Street leading to the ballpark.

North of the ballpark site: Ripe with major redevelopment opportunities and existing highway infrastructure, we can re-knit the physical environment of the surrounding neighborhoods into one another, while creating new development sites built above the existing ground plane on an at-grade level similar to the surrounding neighborhoods.

All of these sites would be woven together with parks and plazas that stretch from North Fifth Street to Washington Avenue North, helping to reconnect the Ballpark to the existing residential and entertainment districts along the Mississippi River.

Northwest of the ballpark site: Already substantially built out, the historic warehouse structures in this neighborhood will be preserved, with an emphasis on adaptive reuse of existing structures. They will be linked to these new areas by plazas and the flow of people.



*“I’m 100% behind the Minneapolis Ballpark Plan. It will bring increased viability to an emerging economy in the Warehouse District.”*

Dorothy Bridges,  
President  
Franklin National Bank



West of the ballpark site: The North Fifth Street and Sixth Avenue North could be mixed-use development that houses commercial offices or development driven by transit service. Retail can stretch along Fifth Avenue North to create a connection between the new multi-modal station and the proposed Ballpark and the commercial development along Washington Avenue North. In the longer term, the far western reaches of North Fifth Street could be redeveloped to incorporate a new residential neighborhood.

**Figure 11: Hiawatha Light Rail Route**

Source: DJR Architecture

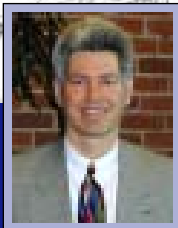




Real estate experts and private property owners in the area already see the potential. From Bloomington along the LRT route, the opportunity for Team “trains” to the Ballpark and for businesses and residents along the line to benefit is substantial. Turning to the immediate Ballpark area, Rick Collins, Vice President of development for Ryan Companies said, “We (Ryan Companies) think that the Twinsville development concept (Figure 12) is one of the most exciting mixed use development opportunities that we will see over the next several years... we think that the end result could be one of the best mixed use developments ever done in this area, strengthening the retail and entertainment providers in the Minneapolis Warehouse District by bringing to the market additional CBD housing alternatives.” Ryan Companies is a real estate development company that has completed over 700 design build projects in 120 cities in 12 states.

**Figure 12: Twinsville Development Rendering**

Rendering by: Duncan Malloch



*“Twinsville is a mixed use housing development that connects the North Loop, North Minneapolis, and Downtown communities while providing much needed affordable market rate housing that is highly transit accessible.”*

Dean Dovolis, AIA  
Principal - CEO  
DJR Architecture Inc.

### **Site - 6. Combined Location (Football and Baseball)**

Although the County has taken no official action regarding a potential football stadium, the City believes a refurbished Metrodome can meet the needs of NFL fans and the Vikings. With a new Warehouse District Ballpark, the Twins and the Vikings would, in fact, be co-located. The new LRT stop at the Metrodome and existing Metrodome infrastructure is co-location at its most creative. LRT will quickly transport fans who arrive from and park in the Ballpark infrastructure described above. LRT’s ability to adroitly adjust service capacity will allow game day Vikings “trains” from the Mall of America, all along the line, and from the Warehouse District. A refurbished Metrodome is cost-effective and co-located.

# Financing

## Hennepin County Financing Plan Overview

The Hennepin County Board has acted to proceed with the development of a ballpark provided the following major conditions are addressed and approved by the legislature. The following conditions are needed to fulfill the public policy requirements and the complex business aspects of this challenging transaction:

That appropriate revenue sources are authorized by the legislature at levels limited to pay for the estimated public requirements of the project; provided that the legislature selects the Minneapolis Warehouse site as the preferred location; the state provides a significant financial contribution; and the County gives the necessary statutory authorizations and the County negotiates satisfactory agreements with the team. Further, contracting for construction must include an aggressive best practices participation program for small, local, and women and minority owned businesses, and inclusion of women and people of color in contractor's workforces; the Twins must agree to a significant sharing with the public of the proceeds realized from a sale of the Team, or enhanced value; and that the Team offers a meaningful affordable seats program.

This proposal anticipates that the State, at the outset, designates Hennepin as the public entity that will do this Ballpark transaction, granting the legislative authorities and tools to do it, and then let Hennepin negotiate the specifics with the Team.

The basis for requesting designation by the State is twofold. First, to contemplate a process where the Team works with two or more municipalities provides the Team some leverage and will raise the overall public share of any transaction. Further, it will result in delaying implementation of any transaction, thereby raising the total cost simply due to inflation. For these reasons the public interests are best served by establishing an environment and process where the Team negotiates with one municipality, and the time necessary to complete this project is reduced.

And Hennepin is that municipality which should receive that exclusive designation to proceed. It is the only municipality that has an adequate tax base to do the local public share of the project. And Hennepin, with the City, has progressed further with selecting a feasible site to a point where a transaction can be negotiated around reasonably reliable costs, and construction completed in the shortest period of time. All of this results in lower costs and lower tax rates for the public.

The details of this transaction will take place in negotiations between the Team and Hennepin once the State has made the designation, and it is in that process where the final allocation of cost between the Team and public sector will be determined, and how new Ballpark revenues will be shared between the parties, keeping in mind that one goal is to enable the Twins to field a competitive team while protecting the public interest. It is anticipated that the Team will retain rights to the Ballpark revenues unless for tax purposes it is best retained by the public sector.

This financing proposal reflects a general allocation between the Team and Hennepin of the estimated construction cost of the Ballpark, with Hennepin assuming responsibility for site costs. The Twins must agree to a sharing arrangement in which the public would receive a significant amount of the proceeds, upon the sale of the Team or no later than the final payment of the bonds issued by Hennepin to finance the Ballpark.

However, the State is being requested to substantially participate in the cost of the project, recognizing professional sports as an activity that is enjoyed by residents throughout the State, and that a new Ballpark will be a costly undertaking. The Team and Hennepin would benefit proportionately from the State participation, without which the task of financing the additional amounts could prove to be an unreasonable sticking point. Hennepin is proposing that the State

contribute 20% of the estimated total construction cost of the project, which is approximately \$100 million.

Regarding the public cost of the Ballpark, Hennepin is proposing to finance it primarily with tax exempt debt from general, countywide tax sources. This will result in substantial cost savings, currently estimated at \$45 million in present value compared to a taxable financing. This tax exempt strategy necessitates the formation of a new public authority (hereinafter referred to as Ballpark Commission or BC) that will own the facility on behalf of the public, and lease it to the Team. The BC may also issue various forms of taxable debt, repaid from the Team or various Ballpark revenues, (secured by the Team/Owner), and potentially some construction loan debt (to be repaid by Team/Owner, with excess revenue from general countywide taxes further pledged to obtain low interest rates).

Regarding the tax exempt public bonds, Hennepin would be requesting authority to impose a variety of countywide taxes that, whether blended, staged or imposed singularly, would provide sufficient revenue to issue high quality, secure debt.

The countywide revenue sources Hennepin is requesting authority to impose is summarized on Page 20. Hennepin would be requesting authority to impose taxes adequate to service the debt, obtain high quality credit ratings and/or insurance, and to provide excess funding that would be used for site acquisition and some broad public needs as determined by the Hennepin County Board of Commissioners. These needs could include property tax relief as well as some public spending purposes. In total, this use would be limited to \$10 million annually for all purposes contemplated. Further, some of the initial proceeds would be authorized for working capital needs of the BC and the construction fund.

Hennepin is proposing that it have authority to impose taxes prior to construction in order to reduce working capital costs. However, taxes would not be imposed until binding agreements with the Team have been executed, including a long-term lease with substantial no-escape provisions, all of which must be approved by Major League Baseball.

Hennepin looks forward to working with the State, the Team, City of Minneapolis and the business community to craft the legislation needed to implement this proposal.

## **Ownership and Management**

This proposal anticipates a tax exempt financing structure for the Hennepin County Revenue Bonds. This tax exempt structure will require that the bond proceeds be granted to another public entity that the County does not control. It is anticipated that a public entity would be created. This entity could be called the Ballpark Commission (BC). The BC would have five members, two of the members would be appointed by the Governor, the Hennepin County Board would appoint two members including the chair, and the City of Minneapolis would appoint one member. The BC would have authority to hire an Executive Director with a small, professional management staff.

The County would grant, with conditions, the bond proceeds to the BC. The BC in conjunction with the Team would build and manage the Ballpark. Hennepin would have a representative participating in the design and construction of the Ballpark to provide input and oversight as to whether the facility represents a proper use of public funds and that its amenities, while addressing the public needs, do not exceed what is normal for similar facilities. The team would be responsible for any construction cost overruns of the ballpark.

The BC would lease the Ballpark to the Team in a non-cancelable lease. The lease would have a variety of specific performance requirements (to play Major League Baseball). If certain requirements are not met, the lease may require a change in the ownership of Team, subject to public approval. It is possible that the Team will request that the BC coordinate a conduit financing(s) that monetizes the future lease payments or other revenue streams. It is expected that



the Team would provide the credit to support any conduit financing(s).

The BC would also manage the future capital improvements that would be funded from the lease agreement with the Team. The BC would derive its operating revenue from rent payments.

**Sources and Uses of Funds**

Hennepin will request authority to impose countywide taxes to service the tax-exempt bonds that would be issued to finance the local, public costs of the project. Hennepin would request authority to impose taxes separately, or in some combination, that would fund 130% of estimated debt service, working capital, and contract for deed payments on site acquisition. The specific limitations on various revenue sources would be addressed in legislation submitted by Hennepin during the legislative session.

Hennepin’s proposal looks to countywide revenue sources as the means to finance its estimated financial requirements under this proposal. However, should the Governors’ Stadium Committee, or the State, endorse any proposal that utilizes metropolitan or regional taxes or other sources, the County proposal could be amended to incorporate such broader revenue sources.

It is currently estimated that the County would need to impose tax rates that produce approximately \$25-27 million per year in annual revenue to finance the Hennepin proposal.

**SOURCES AND USES STATEMENT**

**APPROXIMATE SOURCES OF CONSTRUCTION FUNDS:**

Team/ or Other private Sources *	\$120M
State of Minnesota (20% of construction costs)	\$100M
City of Minneapolis	\$7M
(Charter limit less indirect costs) it is anticipated that Mpls. may use gameday parking revenues to fund this requirement	
Hennepin County Revenue Debt - net construction proceeds *	<u>\$263M</u>
<b>Total Construction Sources</b>	<b><u>\$490M</u></b>

\* Subject to final negotiations between the Team and the County. In addition, the public must significantly participate in the proceeds, upon a sale of the team.

**APPROXIMATE USES OF FUNDS:**

Ballpark Construction	\$342M
Estimated Cost of Roof	<u>\$88M</u>
Total Ballpark Construction Costs*	<u><b>\$430M</b></u>
Other Site Improvements	<u>\$60M</u>
<b>Total Construction Costs</b>	<b><u>\$490M</u></b>
Land acquisition/issuance cost/debt reserve/bond insurance	<u>\$45M</u>
ballpark commission startup costs	
<b>Total Uses of Funds:</b>	<b>\$535</b>

## Sizing of County Debt

Total Construction Costs	\$490M
Land acquisition/issuance cost/debt reserve/bond insurance ballpark commission startup costs	\$45M
Total Project Costs	<u><u>\$535M</u></u>
Less	
Team/ or Other private Sources	\$120M
State of Minnesota (20% of construction costs)	\$100M
City of Minneapolis	<u>\$7M</u>
Total County Debt Issuance *	<u><u>\$308M</u></u>

\*Estimated revenue to service the debt with appropriate coverage ratios would be approximately \$25M to \$27M per year.

## POTENTIAL ANNUAL SOURCES OF REVENUE

<u>Potential Sources</u>	<u>Countywide</u>
Lodging Tax(.1%)	\$ 590,000
Food and On-Sale Liquor Tax (.1%)	\$ 1,550,000
General Sales Tax (.1%)	\$ 15,700,000

It is anticipated that the County would be provided with a menu of revenue options capped by the legislature. The County would then choose the revenue sources required to yield no more than 130% of debt service requirements. The 130% would provide for a coverage ratio on the bonds, funds to pay for a land acquisition contract for deed, and other financing and working capital needs.

This proposal is for Countywide taxes, if other proposals using metropolitan or regional taxes or other sources are endorsed by the Governor's Committee or by the State, the County proposal could be amended to incorporate such broader revenue sources.

## Local Government and Community Support

Hennepin County and the City of Minneapolis have adopted resolutions supporting the Warehouse District Ballpark Site. Copies have been provided to the Committee.

Civic leadership groups representing over 2,500 organizations and thousands of employees, customers, and visitors have endorsed the Minneapolis Warehouse District Ballpark Site, including:

- BOMA-Minneapolis
- Crowne Plaza Northstar
- Doubletree Guest Suites
- Embassy Suites Hotel-Downtown Minneapolis
- Greater Minneapolis Convention and Visitors Association
- Hennepin Avenue Advisory Board
- Historic Theater Group
- Honeywell
- Hubert White
- Marquette Hotel
- MARSH USA, Inc.
- Minneapolis Downtown Council
- Minneapolis Hotel Association
- Minneapolis Marriott City Center Hotel
- Minneapolis Regional Chamber of Commerce
- Minneapolis-Saint Paul Magazine
- Park and Shop/Loop Parking
- Radisson Plaza Hotel
- Warehouse District Business Association



RESPONDENTS TO INVITATION FOR PROPOSAL  
GOVERNOR PAWLENTY'S STADIUM SCREENING COMMITTEE

Mayor Randy Kelly  
The City of Saint Paul  
15 West Kellogg Boulevard  
Saint Paul, Minnesota 55102

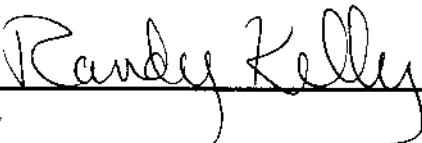
**This submission includes a proposal for a Baseball Stadium.**

CERTIFICATION AND WAIVER

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

City of Saint Paul

Respondent

  
By

Mayor

Its

## Section I - Site **Location/Size**

Saint Paul’s site for the new ballpark has no match when it comes to the things that make for an outstanding Twins fan experience. Our location’s ease of access, availability of parking and transit options, and proximity to hospitality, entertainment and retail establishments will be critical contributors to the Twins’ long-term success in their new home.

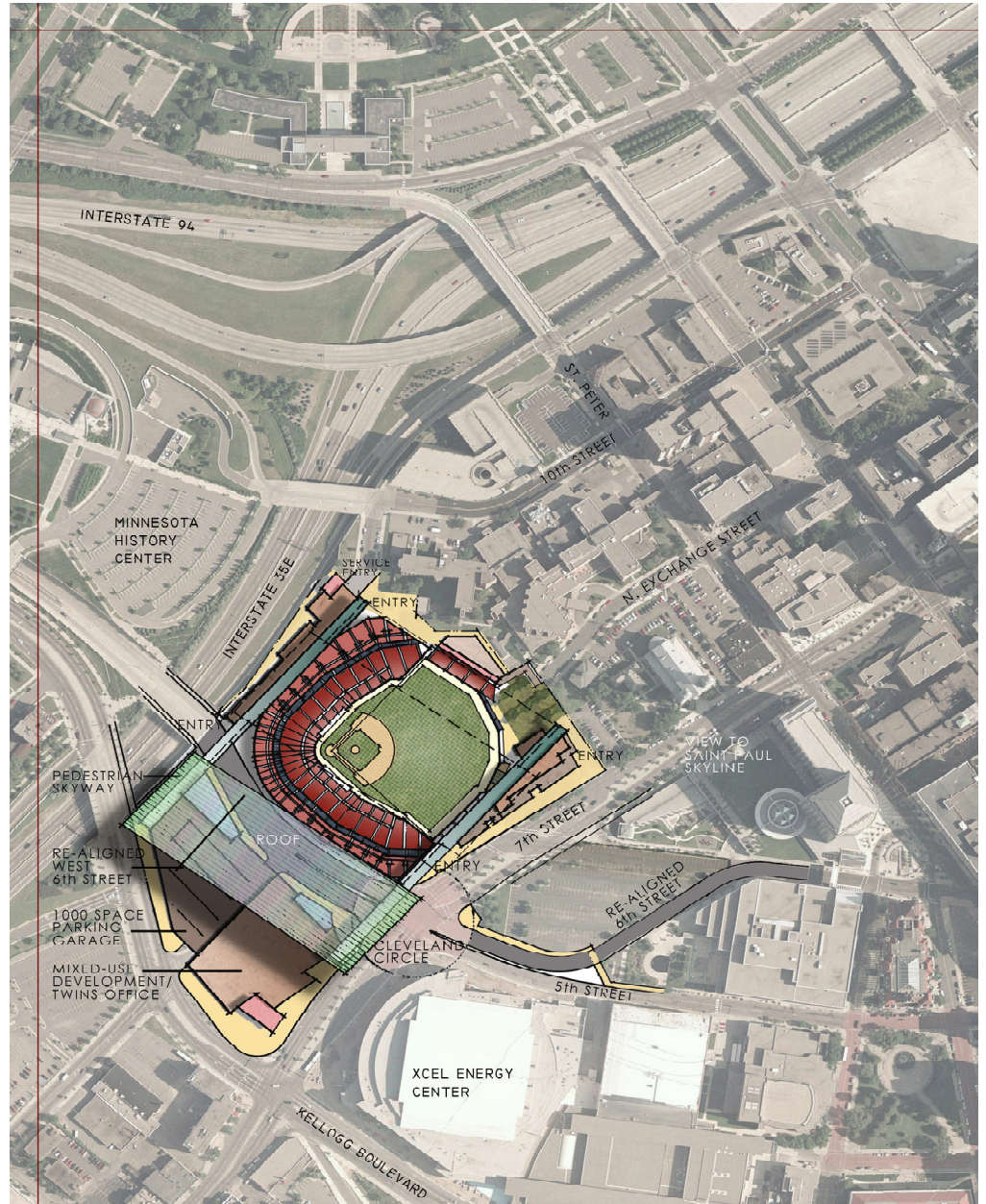
Situated at Saint Paul’s most important “Gateway” to downtown, the new Twins ballpark will be an instant icon, much like the Xcel Energy Center across the street. The ballpark will be in Saint Paul’s front yard, immediately visible to the thousands of workers, residents and visitors to our downtown – as well as to the thousands more passing by on Interstates 94 and 35E.

This site is already very familiar to visitors from the metro area as well as greater Minnesota, since millions of them have already attended Wild games, concerts and the Minnesota State High School League’s basketball, hockey, volleyball, wrestling and dance line tournaments at the Xcel Energy Center.

The ballpark will sit at the head of the vibrant, eclectic West Seventh Street hospitality district and is only a few blocks from cultural institutions like the Science Museum of Minnesota, the Minnesota Children’s Museum, and the Ordway Center for the Performing Arts. Twins fans will have many options for dining and entertainment before and after the games and other events at the ballpark.

*In 1886 the Saints were a member of the Western League. Charles Comiskey owned the team that played their games at the old 7th Street Grounds. In 1896, the team moved into Lexington Park, located on the corner of Lexington and University Avenue.*





*Saint Paul's own Paul Molitor is a new inductee to baseball's Hall of Fame. He holds hitting and World Series records from his long and distinguished career.*



## Size

The new Twins ballpark at the Gateway site will meet the Twins' program requirements for a single-purpose, open-view 1.1 million square foot ballpark, with a roof and heated concourses, as follows:

- 42,000 seats
- 60 private suites
- 10 party suites
- 4,000 club seats, on two levels
- 3,000 general admission seats
- 40,000 square feet of administrative/office space
- 2 on-site restaurants
- 12,000 square feet of retail space
- 200 seat picnic area
- 5,000 square feet of family entertainment space
- 10,000 square feet of conference space
- 3-panel retractable roof

# Twins Gateway Ballpark Proposal

*Saint Paul*

The new Twins ballpark will offer tremendous views of the downtown Saint Paul skyline. Similar to Pittsburgh's PNC Park, Cincinnati's Great American Ballpark and San Francisco's Pac Bell Park, home plate will be in the approximate northwest corner of the park. The 3-panel roof will retract to the southwest, over 5<sup>th</sup> street and Cleveland Circle. Supports for the roof will be integrated into the Smith Avenue Transit Hub described below and related redevelopment on the southern portion of the Cleveland Circle site.

As shown on the accompanying site plan, the City is developing the Smith Avenue Transit Hub, a 650 car ramp and bus layover facility on the northern two acres of the Cleveland Circle site, as shown in the accompanying site plan. The City will increase the parking capacity of this facility to accommodate the Twins' stated 1000 car requirement for VIP, player and other parking adjacent to the ballpark. Television truck parking will also be provided in this facility.

## Key size information about the ballpark and Gateway site:

Size of entire site	17.15 acres
Square footage of ballpark structure	Approx. 1,100,000 sq. ft.
Footprint of ballpark structure	225,000 - 300,000 sq. ft.
Maximum height of ballpark structure	135 feet
Maximum height of the roof structure	240 feet

*By playing nine games in the Union Association, all on the road, Saint Paul ended up with the distinction of being Minnesota's first major league team.*



## Site Assembly

In order to deliver the site ready for development of the new Twins ballpark, 13 parcels (approximately 242,000 square feet) will need to be acquired from private owners.

This land assembly effort will include the following important actions:

Parcel	Action	Strategy
Dorothy Day Center Mary Hall (150 bed single room occupancy housing) Catholic Charities administrative offices	Acquisition & demolition; relocation benefits for Mary Hall tenants	The City is working in partnership with Catholic Charities, owner of the Mary Day Center and Mary Hall to identify suitable sites for replacement facilities of equal or greater capacity and functionality
Undeveloped land adjacent to Saint Joseph's Hospital	Acquisition of undeveloped land	The City is working with HealthEast to identify replacement property, which will better support HealthEast's anticipated future expansion in downtown Saint Paul
411 Main - Main Street Labor Corporation	Acquisition and demolition	The owner of the site, the Saint Paul Building Trades unions, strongly supports development of the new ballpark and is a willing seller
Various other properties along West 9th Street	Acquisition and demolition; relocation benefits as applicable for existing business	The City will work with existing businesses to identify new locations for them in Saint Paul

The Housing and Redevelopment Authority already owns the five-acre Cleveland Circle site, which is already cleared and ready for development.

*The 1920 championship for Saint Paul was especially notable. Led by the pitching of 27-game winner Charley "Sea Lion" Hall and the offensive contributions of players like Joe "Goldie" Rapp, Lee Dressen, and Joe Riggert, the Saints won 115 games and produced a winning percentage of .701, Association records that were never matched.*

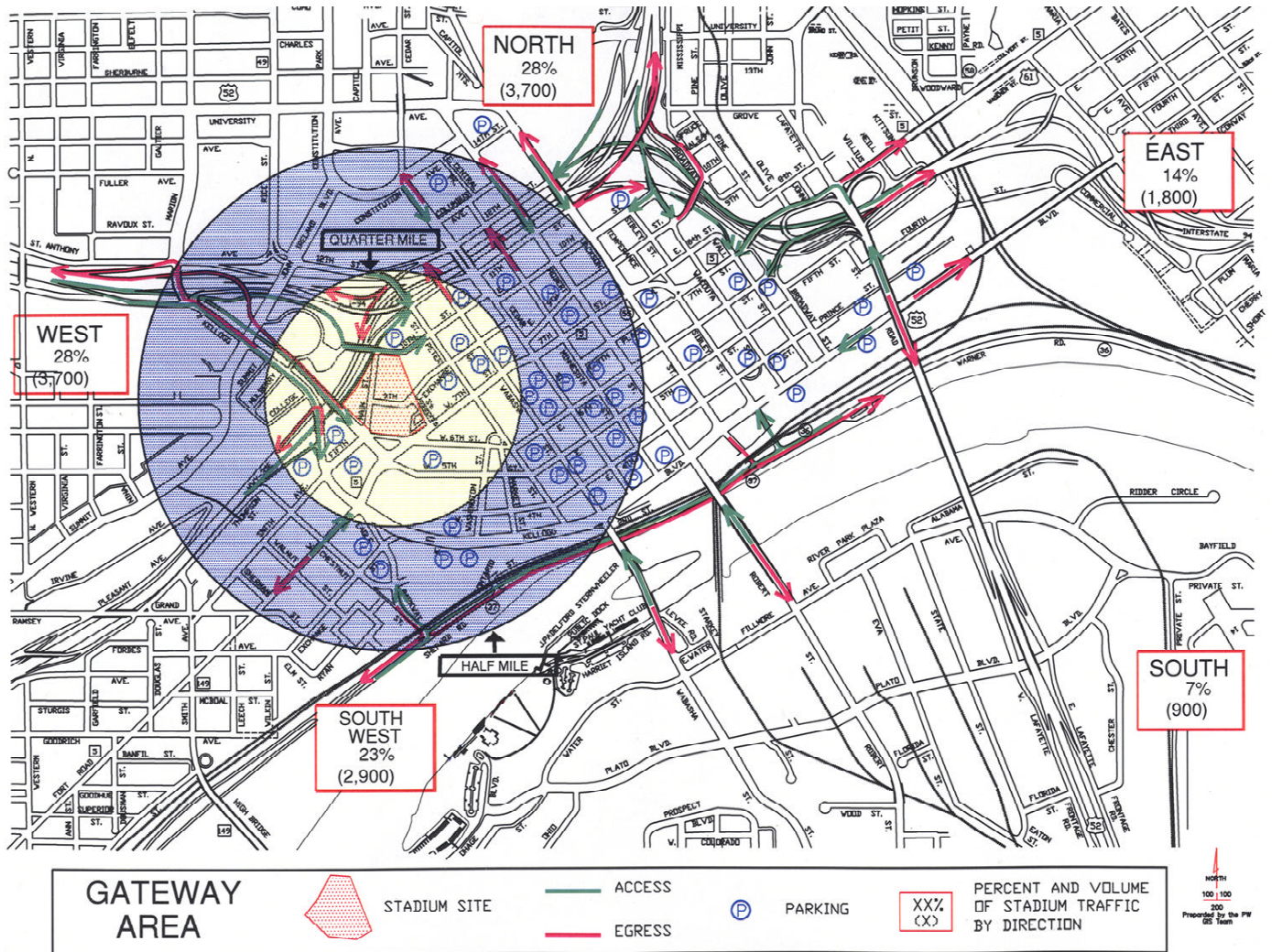


No significant environmental remediation or soil correction is expected to be necessary for construction of the ballpark on this site. Some relocation of existing utilities will be necessary, but electric, gas, and telecommunications lines are already proximate to this site.



## Accessibility

Our ballpark site has tremendous accessibility, both for automobiles and for transit users. The Gateway site has direct access to Interstates 94 and 35E. Local arterial streets – Kellogg Boulevard, Smith Avenue, West 7<sup>th</sup> Street, Shepard and Warner Roads – provide excellent connections to MSP Airport, and Trunk Highways 52 (Lafayette Freeway), 61 and 149. We expect that fans traveling to and from the Gateway site will experience ingress and egress times within the Twins’ stated parameter of 55 minutes.



Minnesota's State Capitol building is one of famed architect Cass Gilbert's most prominent and most beautiful buildings. The new ballpark will be located directly south of the State Capitol.



Based on fan data provided by the Twins, we estimate there will be approximately 13,000 vehicle trips for each game at the new ballpark. These trips are expected to break down as follows:

Direction	Number of Trips (% of Total) within One Hour	Route/ Access	System Capacity	Current Demand (% of Capacity)	Projected Ballpark Demand (% of Capacity)	Combined Projected Total Demand (% of Capacity)
North	3,700 (28%)	I 35 E, exiting at 10th & Wacouta Streets & University Avenue	4,750	500 (11%)	3,700 (77%)	4,200 (88%)
East	1,800 (14%)	I 94, exiting at East 6th & 12th Streets & Mounds Blvd.	5,500	770 (14%)	1,800 (33%)	2,570 (47%)
South	900 (7%)	Trunk Highways 52, 61 & 149	8,750	1,485 (17%)	900 (10%)	2,385 (27%)
Southwest	2,900 (23%)	I 35 E, exiting at Kellogg Blvd., 11th Street, Trunk Highway 5 & Shepard Road	6,000	1,295 (21%)	2,900 (49%)	4,195 (70%)
West	3,700 (28%)	I 94, exiting at 5th & 10th Streets, Kellogg Blvd. & University Avenue	5,250	805 (15%)	3,700 (70%)	4,505 (85%)

## Parking/Infrastructure

There are currently 39,630 parking spaces in downtown Saint Paul. Saint Paul is fortunate to have a relatively compact, very walkable downtown. In the event of inclement weather, many of our public parking facilities are connected to our downtown skyway system. Of this significant existing supply, 7,020 spaces (18%) are within ¼ mile of the new Twins ballpark. With the new United Hospital 900 car ramp at Smith and Kellogg and the 650-1000+ car City Smith Avenue Transit Hub, another 1550 to 1900+ spaces will be developed adjacent to the ballpark site. An additional 26, 874 spaces (68%) are within ½ mile of the ballpark site. No additional investment in parking infrastructure will be necessary to supply the Twins ballpark at the Gateway site.

*The first Saint Paul ballpark, the Fort Street Grounds, was home to a St. Paul team in 1884 that finished its season by playing nine games in the Union Association, at that time in its only year as a major league.*

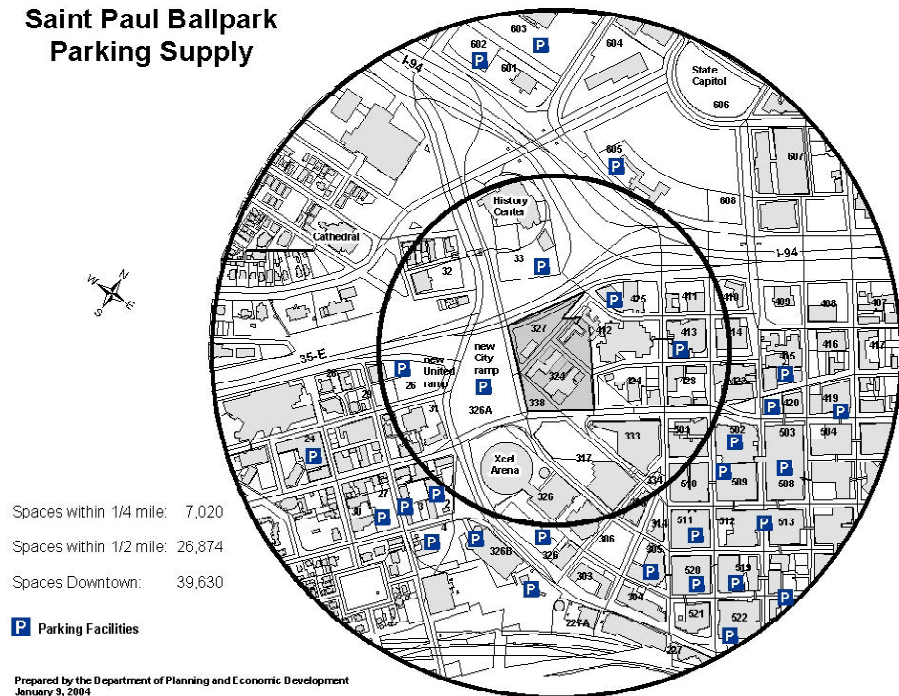


## Traffic and Parking Management Strategy

One of the strongest attributes of the Gateway ballpark site is the multiple points of access for the parking facilities that serve the ballpark. Our traffic and parking strategy will accommodate 13,000 private vehicles, as well as maximize the use of transit and shuttle operations that have proved successful in dealing with events at and near the Xcel Energy Center.

St. Paul has had experience in hosting large events and developing the traffic plans associated with them. The focus of our traffic management strategy will be to direct visitors' cars to parking destinations away from the event, and to efficiently deliver patrons to the event location. We use technology to successfully implement this strategy, including a state of the art computerized traffic control system, closed

## Saint Paul Ballpark Parking Supply

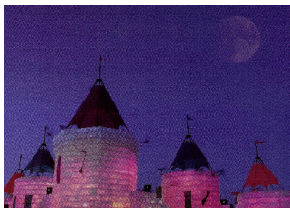


circuit television cameras that provide instant feedback on traffic flow and electronic parking information signage.

Large events are not unusual for us. Saint Paul hosts the Melaleuca Freedom Celebration, Taste of Minnesota (both of which draw in excess of 100,000 visitors) and the Saint Paul Winter Carnival, as well as Wild games and many concerts at the Xcel. Our traffic management strategy for the Melaleuca Freedom Celebration allowed the more than 100,000 visitors to easily arrive and depart within approximately 45 minutes, by utilizing shuttles, altering traffic signal timing and heavily publicizing a range of parking locations and access options.

The transportation management approach for the Twins ballpark will similarly rely on extensive communication to fans regarding parking options and locations. As with the Wild, we will work with the Twins to assign and pre-sell parking in various downtown parking ramps for season ticket holders, maximizing parking choices that permit fans to select the parking location and departure routes that work best for them. With many access points to our downtown, we will not overload any one ingress or egress point.

*The Saint Paul Winter Carnival which is called "The Coolest Celebration on Earth!" possibly remains the oldest and largest festival of its kind in the nation. It enters its 118<sup>th</sup> year of celebration with a new Ice Palace.*



Saint Paul is also equipped with a state of the art traffic management center. This center is the heart of our traffic management system and includes a computerized traffic signal system, closed circuit television cameras on major arterials around the site as well as the interstate highway system, and a state of the art parking information system that indicates to incoming motorists the number of spaces available at

specific parking facilities. Signal timing plans will be developed and implemented for game day events for both ingress and egress. Our cost estimates include expansion of the parking information system as well as enhancing our closed circuit television coverage.

Shuttles and transit as well as charters are all included in our plan. An extensive existing shuttle plan is already operational and used by Wild fans. It is expected that this system will continue to operate and likely grow. Charter or coach arrivals as well as shuttles will likely drop off and pick up on Seventh Street between re-aligned 6<sup>th</sup> Street and St. Peter. As we move into the detailed design of the ballpark and its operations, we will explore all options for managing bus traffic. Possibilities include accommodation in the parking ramp on the North side of the Cleveland Circle site, or somewhere else on the Cleveland Circle site, as part of site development, and working with the History Center and/or Sears. We have experience in dealing with large shuttle/bus events such as the Festival of Nations (over 200 buses daily) as well as various high school tournament events and events at the Science Museum and Ordway.

There are no major roadway improvements that are needed except for realignment of 5<sup>th</sup> and 6<sup>th</sup> Streets. Grade-separated pedestrian walkways over 5<sup>th</sup> Street and 7<sup>th</sup> Street will be considered. Realigning 6<sup>th</sup> Street also permits us to remove medians on 7<sup>th</sup> Street between the 5<sup>th</sup> and 6<sup>th</sup> Street intersection and St. Peter, creating charter and shuttle bus dropoff areas and/or wider sidewalks. Similar to the temporary closing of Kellogg Boulevard next to the Xcel Energy Center after Wild games, we may also consider temporary pre- and post-game closings of 7<sup>th</sup> Street next to the ballpark. The one-way pairs of 5<sup>th</sup> and 6<sup>th</sup> Streets and Wabasha and St. Peter provide excellent alternate routes during the closure. Pedestrians will access the ballpark from grade-separated walkways, and at grade with the assistance of traffic control officers.

## Transit Connections

We also expect approximately 3,000 transit trips for each game at the new ballpark. The Gateway site is currently served by 35 regular Metro Transit bus lines, including express service to and from Minneapolis, MSP International Airport and the Mall of America. Many of these routes have six-minute frequencies during the day and fifteen-minute frequencies in the evening and on weekends. There are 19 downtown express routes and 15 local routes with stops two blocks or less from the ballpark. As noted in Section I, the City will construct the Smith Avenue Transit Hub, a new parking ramp and bus layover facility, on the northern portion of the Cleveland Circle site. This hub will provide layover space for 16 buses as well as 100 bike lockers.

The City will work with the Twins and Metro Transit to heavily promote the use of transit for Twins ballpark visitors. The Minnesota Wild and Metro Transit currently have a program where any Wild fan can ride the bus to the Xcel Energy Center for free by just showing their ticket to that day's Wild game.

*The summer of 2003 marked the fourth year of Saint Paul's tribute to native son Charles Schulz. Statues of Snoopy, Charlie Brown, and Lucy van Pelt have already graced the city, delighting thousands of visitors from around the globe. This year, 90 statues of Lucy's little brother, Linus, are 'blanketing' the City.*



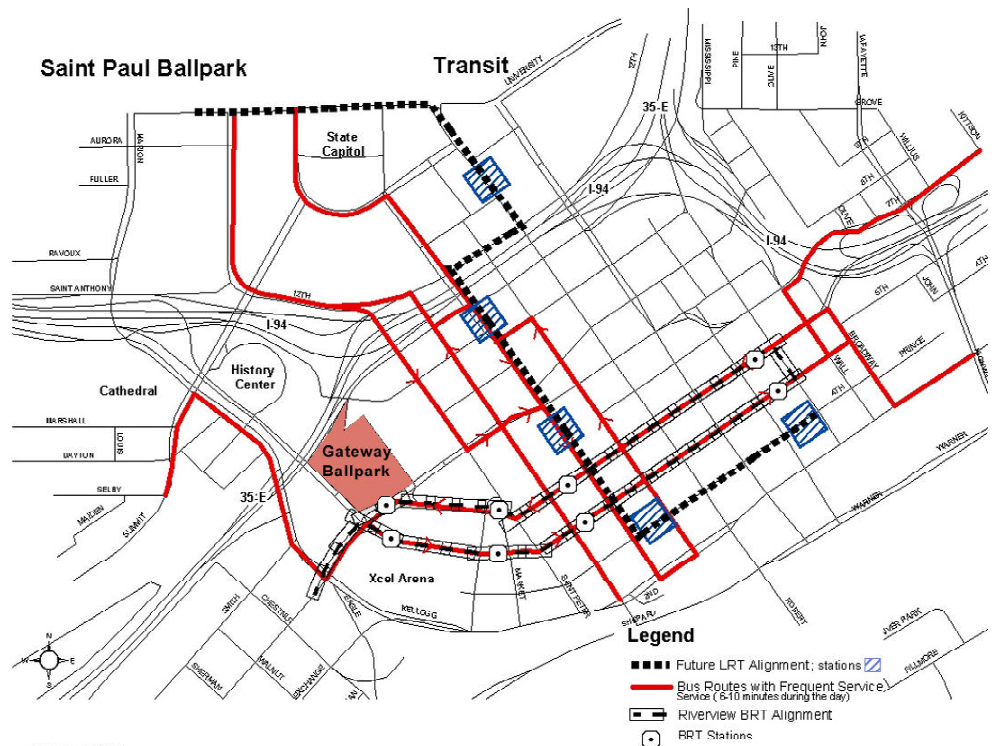
# Twins Gateway Ballpark Proposal

Saint Paul

Light rail and, potentially, bus rapid transit are also planned to serve this site. The map below shows the approved routes for the Central Corridor LRT line, which will connect downtown Minneapolis and Saint Paul and the University of Minnesota, and the Riverview Corridor, which stretches from the Mall of America and MSP International Airport to Maplewood Mall.

As presently configured, there will be a Central Corridor LRT stop 4 blocks from the new Twins ballpark. Running at expected frequencies of 15 trips in each direction per hour, Central Corridor LRT could easily deliver 5,000 or more fans from points west of downtown Saint Paul to the Twins ballpark within an hour of the start of a weeknight Twins game.

Assuming that bus rapid transit remains the preferred mode for the Riverview corridor, there will be stops at the new Smith Avenue Transit Hub and at the ballpark. Running at expected frequencies of 12 trips per hour, Riverview Corridor BRT could easily deliver 1,000 or more fans from points southwest and northeast of downtown Saint Paul to the Twins ballpark within an hour of the start of a weeknight Twins game.



*Dave Winfield is a native of Saint Paul and a Hall of Fame baseball legend. With 12 All-Star games and hitting records to his name, he has been one of Saint Paul's most recognized personalities.*



January 9, 2004

## Stadium-Related Development

As noted in HOK’s presentation to the Governor’s Stadium Screening Committee, the ballparks of the 21<sup>st</sup> century must “create a platform for completing or filling gaps in a city”, and “contain all elements needed to sustain city life”. The new Twins ballpark at the Gateway site will most definitely meet these standards. The Gateway site is not isolated from the fabric of the downtown community by any transportation or parking infrastructure, nor is it hidden from view for the majority of downtown workers, residents and visitors. Instead, the western end of downtown Saint Paul reflects the kind of vibrant mixed use development, combining new construction with our tradition of thoughtful preservation and reuse of historic buildings, that will deliver the expected economic and community benefits that the City demands and the Twins require for their long-term success.

The proposed ballpark site plan reflects the ballpark’s premier location in the heart of Saint Paul’s western core. The site capitalizes on the proximity of existing restaurants, shops and pubs, as well as the Xcel Energy Center/RiverCentre complex, and will create a vibrant sports, cultural and entertainment hub with options for everyone. The West Seventh Street hospitality district has already undergone a major renaissance in conjunction with the opening of the Xcel Energy Center. The millions of dollars of private investment already reflected in new and expanded establishments along West Seventh Street, and around Rice Park and along Wabasha Street, will be further increased as these thriving corridors expand to welcome the two to three million new visitors to the Twins ballpark each year.

The Xcel Energy Center, opened in 2000, presently hosts approximately 44 NHL regular and pre-season hockey games and 80 other sports and entertainment events each year, bringing 1.5 to 2 million visitors to this premier facility. The Xcel Energy Center adjacent and connected to the Saint Paul RiverCentre, a 240,000 square foot locally-funded convention, banquet and meeting facility that opened in 1999. The RiverCentre hosts another 230 to 300 events each year, which bring an additional 600,000 visitors. The RiverCentre’s target market is local, regional and smaller national events. With the addition of the new Twins ballpark across the street, the RiverCentre’s competitiveness with comparable regional facilities, such as Madison, Milwaukee, Des Moines and Sioux Falls, will be greatly enhanced by its proximity to year-round major league sports and entertainment events.

To maximize the economic activity generated by the four to five million Twins, Wild and RiverCentre visitors who will pass by this site each year, we expect that this development might include such features as an entertainment venue, shops, and a hotel. This site might also be a desirable location for the Twins’ offices and related amenities. Such development is expected to represent additional private investment of as much as \$100 million on the Cleveland Circle site.



Housing development in downtown Saint Paul is red hot. Approximately 3,000 units are presently under development in greater downtown Saint Paul. Today, there are approximately 8-9,000 residents in greater downtown Saint Paul, with another 5,000 expected to join them by the opening of the new Twins ballpark. The Twins ballpark will assuredly increase the demand for additional downtown housing – meeting the demand of young adults and empty-nesters eager to live within walking distance of urban amenities.

In addition, employers who recognize the value that these urban amenities hold in competing for Richard Florida’s “creative class” workers, will be drawn to downtown Saint Paul. Their employees will join the 50,500 people – including 4,500 State employees – presently working in our core downtown.

With the addition of the new Twins ballpark, Saint Paul expects to realize measurable economic benefits on an even larger scale than those generated by the Xcel Energy Center. Construction of the ballpark is expected to generate the equivalent of 500 full-time construction jobs each year for three years. Based on a 2003 economic impact analysis of the Xcel Energy Center conducted by Development Strategies, we anticipate that when open, the ballpark would result in 850 new ongoing jobs, driven by over \$180 million in new direct spending by 2 million-plus ballpark visitors from around the state and region. Sales in the ballpark alone will generate hundreds of thousands of new City sales tax dollars. When factoring in the impacts on other businesses, City sales tax revenues will conservatively increase by a million dollars or more. Overall, the Xcel Center experience suggests Saint Paul residents could expect to gain \$25 million in additional household income generated by new spending by visitors to the ballpark.

We also expect that the increased activity and interest in downtown Saint Paul will translate into greater demand for downtown office space and housing and higher hotel occupancies. These results will, in turn, drive higher levels of private investment, more sustainable long-term growth, and overall increases in our property and sales tax bases.

*Minnesota Twins “Hall of Famers” include Rod Carew, Steve Carlton, Harmon Killebrew, Kirby Puckett, and Dave Winfield.*



Finally, we recognize that in most respects, Saint Paul is part of a regional economy. The strength of any one community in our region – be it urban or suburban – depends on and affects the strengths of the rest. We know that for the greatest community benefit, and the greatest return on the public investment, the ballpark must be located where the Twins can be most successful. We also recognize that sports and entertainment venues should be distributed throughout the region, for the greatest regional impact. Locating the Twins ballpark in Saint Paul, along with the Minnesota Wild’s Xcel Energy Center, gives the Capital City two such key assets. Minneapolis should continue to be home to the Minnesota Timberwolves, the Vikings and the University of Minnesota’s Golden Gophers.

### Combined Location

The Gateway site will not accommodate both football and baseball. No combined facilities are contemplated in this proposal.

## Section II Plan of Finance

Our plan of finance was developed based on key principles that we believe are necessary to govern public participation in a new Twins ballpark. The investments of the City of Saint Paul and the Twins must be augmented by state and regional participation to achieve a fair distribution for the funding of this statewide asset and to result in a workable financial model for this half-billion dollar undertaking. We believe that state and regional participation in financing is appropriate, in view of the state and regional fan base and economic/community asset that the Twins represent. Our plan of finance is modeled after the creative, efficient structure of the Xcel Energy Center financing, and reflects:

- A fair balance of team, private, regional, state and host community support
- A partnership among the stakeholders to realize the maximum financial benefit from the available revenue streams
- Financing efficiency by ensuring that all bonds are tax-exempt
- No new or additional statewide taxes
- No general obligation pledge at the state or local level
- No loss of the economic competitiveness of the city, region, or state: no increase in regional taxes above current levels, and no increase in local city taxes above levels in Minneapolis
- Appropriate allocation of risk, both for construction of the ballpark and in its ongoing operation

### Finance Plan Overview and Assumptions:

The plan assumes that a total of \$520 million is needed to finance the proposed ballpark. This includes all costs of site acquisition and delivery, and construction of a Major League baseball stadium that meets the Twins' specifications, including a retractable roof.

Annual revenues available from the city and regional sources identified in the financing plan are based on state Department of Revenue estimates where available, or estimated directly from state or city data. Estimates of net bond proceeds available using these revenue streams under current market conditions are based on analysis provided by underwriters. The proposal has also been reviewed by the City's financial advisors.



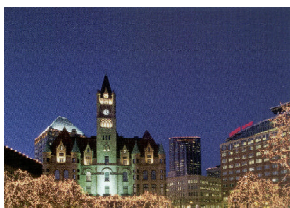


## Financing Sources and Uses

Net Construction Proceeds (millions)	Funding Mechanism	Funding Source/ Revenue Stream
\$40	Cash	Team
\$180	30 year, zero-interest loan from the State to the City for stadium construction	Team lease payments on ballpark; 30 year payment schedule totaling \$180 million will provide revenue to repay state loan in full . Including the \$40 million up-front contribution, Team payments total \$220 million over the 30 year period
\$214	State-issued, tax exempt revenue bonds (2 series, senior insured & subordinate)	City/3% citywide meal & on-sale liquor tax beginning in 2005, plus parking surcharge revenue beginning when stadium opens in 2008
\$46	State-issued, tax exempt revenue bonds (2 series, senior insured & subordinate)	Core Metro region/ 2.7% rental car tax in Ramsey & Hennepin Counties only, beginning in 2006
\$30	Private placement bonds	City/Future inflationary growth in city 3% meal & onsale liquor tax receipts
\$4	Private placement bonds	Core Metro region/Remaining revenue from 2.7% car rental tax in Ramsey & Hennepin Counties
\$6	Cash	Metropolitan Sports Facilities Commission/From available cash reserves

**Total: \$520 million in construction proceeds**

*Saint Paul's Landmark Center was designated a National Historic Monument and reopened to the public in 1978. Today, Landmark Center serves as a cultural center for music, dance, theater, exhibitions, public forums, and special events. It anchors the north end of Rice Park, Saint Paul's renowned urban square.*



**Notes on financing sources:**

1. 3% citywide restaurant meal and on-sale liquor tax is estimated to yield \$13.5 million/year (including sales in and adjacent to the new ballpark) by the year it opens in 2008. Tax would be imposed beginning 1/1/05.
2. Parking surcharge is estimated to generate \$2.7 million annually, implemented beginning in 2008.
3. A car rental tax imposed in Ramsey and Hennepin counties only at a rate of 2.7% is estimated to generate \$3.8 million annually, beginning 1/1/06. The current statewide 6.2% car rental tax has been repealed effective 1/1/06.<sup>1</sup> This proposal would allow the tax to expire everywhere outside Ramsey and Hennepin counties, and permit the current tax to be reduced by more than half in the two Core Metro counties.
4. New state legislation will be necessary to authorize the taxes and surcharges above.
5. It is critical from a financial efficiency standpoint that the proposed revenue bonds are tax-exempt. If necessary to ensure the tax-exempt status of this debt, an issuer other than the State could be explored.
6. State loan for stadium construction is proposed as follows:
  - A. State of Minnesota makes a \$180 million zero interest loan to the City for stadium construction.
  - B. The Team agrees to make lease payments to the City totaling \$180 million, starting in 2008 at approximately \$4 million and increasing over 30 years to \$9 million annually. The Team would further agree to satisfy any other security requirements required by the State. (At a 5% discount rate, the present value of the Team rent payment schedule is \$80 million.)
  - C. The City agrees to pass on Team rent payments collected to repay the State loan.

<sup>1</sup>(2001 First Special Session Laws, Ch. 5, Art. 12, Sec. 95).



## Private Investment

**Team investment:** \$120 million (net present value at 5%): \$40 million cash; \$80 million via 30 year lease payment stream, totaling \$180 million.

**Other private investment:** \$34 million via purchase of private placement bonds as described above.

**Total team and private investment: \$154 million (net present value)**

## Public Investment

**City investment:** \$214 million via state-issued revenue bonds, backed by a State-authorized Citywide 3% meal and on-sale liquor tax and ballpark event parking surcharge revenues.

**Core Metro investment:** \$44 million via state-issued revenue bonds backed by a State-authorized 2.7% car rental tax in Ramsey and Hennepin counties.

**Metropolitan Sports Facilities Commission investment:** \$6 million from existing reserves.

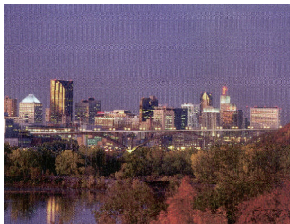
**State investment:** \$100 million (net present value at 5%) via a \$180 million 30 year zero interest loan to City for stadium construction, with principal to be repaid entirely from Team lease payments; any additional security or credit enhancement required by the State to be provided by the Team

**Total public investment: \$366 million (Net Present Value)**

## Uses:

Type	Amount (in millions)	Comments
Land assembly	\$35 to \$45	Includes land acquisition, relocation/replacement, demolition & environmental work
Infrastructure	\$35 to \$45	Includes realignment of 5th & 6th Streets, pedestrian walkways, improved signage, traffic signals, & utility relocation
Ballpark Construction - Hard & Soft Costs	\$430 to \$450	

*The City of Saint Paul, Division of Parks and Recreation has facilities at over 160 parks and open spaces, 41 recreation centers, three 18 hole golf courses, 24 bicycle and pedestrian paths, one indoor pool and two outdoor pools, a public beach and sports facilities. They are a leader in youth and adult recreation and athletic programs.*



**Total Project Uses: \$520 million**

## Notes on Financing Uses:

1. Expenditures for construction materials are assumed to be exempt from state and city sales taxes, consistent with the construction of other comparable public facilities, including the Xcel Energy Center.
2. The City will assume the risk of overruns associated with site acquisition, relocation, demolition, environmental and infrastructure costs.
3. The Twins will assume the risk of overruns associated with hard and soft ballpark construction costs.
4. The allocation of total project financing between ballpark construction and remaining site delivery costs will be determined in the development agreement/lease between the City and the Twins.
5. If ballpark project costs are significantly reduced, the City and Twins participation/State loan should be reduced commensurately.

## Ownership and Management

The stadium is envisioned to be owned by the City. The terms of the financing, ownership and management will be incorporated into a development agreement and lease between the Twins and City, and a loan agreement among the State, Twins, and City. The land and building will be exempt from state and local property taxes.

In addition to scheduled annual lease payments to the City that repay the State's loan, the Twins will be entirely responsible for annual operating and maintenance costs, including annually funding a reserve for long-term capital maintenance and improvements. No additional public funding will be provided for any form of ballpark operations, maintenance, or improvements.

The Twins will have full control over the ballpark facility at all times. The Twins will retain all revenues generated within the ballpark. The Twins will be expected to work in partnership with the City and other downtown sports, entertainment, cultural and other destinations to coordinate marketing and promotional activities, to maximize visitors and spending in Saint Paul and coordinate event scheduling. Any additional conditions desired by the State would be incorporated into the loan agreement.

*Xcel Energy Center is a one-of-a-kind multi-purpose sports and entertainment facility located in the heart of downtown Saint Paul. Situated on a six-acre site, encompassing 650,000 square feet, Xcel Energy Center is part of the RiverCentre Convention Center Complex, which also includes the adjacent Roy Wilkins Auditorium and Touchstone Energy Place.*



# Twins Gateway Ballpark Proposal

*Saint Paul*

The plan of finance is based on the efficiency of tax-exempt bonding to generate the maximum construction proceeds from the available revenue streams. The proposal assumes that the ballpark ownership, bond issuer, and state loan components can be designed to preserve the tax-exempt status for all bonds to be issued. In the event that the public bond issuer and/or ballpark owner must be modified to ensure tax-exempt status for bonds, the proposal will be modified accordingly.



Section III — Local Government  
and Community Support

Council File # 04 -26

*SUBSTITUTE - Jan. 14, 2004*

Green Sheet # 100613

**RESOLUTION  
CITY OF SAINT PAUL, MINNESOTA**

*7-0*

Presented by

*[Signature]*

Referred To

Committee Date

- 1 WHEREAS, the City of Saint Paul is likely to benefit by the construction of a new baseball stadium within the  
2 City of Saint Paul;
- 3 NOW, THEREFORE, BE IT RESOLVED that the Saint Paul City Council acknowledges that the Mayor's  
4 Administration will be submitting an initial proposal to the Governor's Stadium Screening Committee that  
5 outlines a possible location and financing package to build a major league baseball stadium in St. Paul; and
- 6 BE IT FURTHER RESOLVED, that Council Research and the appropriate city staff are hereby directed to  
7 monitor the various stadium proposals and related legislative initiatives so that prior to the third state legislative  
8 deadline the City Council will have sufficient information and analysis upon which to consider a resolution that  
9 clearly establishes parameters for financing and provides specific public policy direction to the Mayor and city  
10 staff prior to the final passage of the stadium legislation by the Minnesota Legislature; and  
11
- 12 BE IT FINALLY RESOLVED, that the Saint Paul City Council encourages the Governor, the Legislature, the  
13 Mayor, the Twins and other interested parties to consider options for building a baseball stadium that minimizes  
14 risk to the taxpayers, limits the level of public subsidy (particularly for the host community) and that promotes  
15 multi-jurisdictional participation to benefit the entire metro region and the State of Minnesota

	Yeas	Nays	Absent
16 Benanav	✓		
17 Bostrom	✓		
18 Harris	✓		
19 Helgen	✓		
20 Lantry	✓		
21 Montgomery	✓		
22 Thune	✓		
	<i>7</i>	<i>0</i>	<i>0</i>

Requested by Department of:

\_\_\_\_\_

By: \_\_\_\_\_

Form Approved by City Attorney

By: \_\_\_\_\_

Approved by Mayor for Submission to Council

By: \_\_\_\_\_

23 Adopted by Council: Date *January 14, 2004*

24 Adoption Certified by Council Secretary

25 By: *Mary Erickson*

26 Approved by Mayor: Date *1-15-2004*

27 By: *Randy C. Kelly*

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

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

Anoka County  
2100 3rd Ave  
Anoka, MN 55303

City of Blaine  
10801 Town Square Drive  
Blaine, MN 55449

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

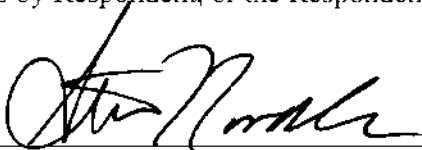
Anoka County and the City of Blaine

This submission includes a proposal for a:

- Baseball Stadium
- Football Stadium
- Combined Facilities

**CERTIFICATION AND WAIVER**

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



Respondent

By Steven Novak

Its ~~Governmental Services Division~~ Manager

## PROJECT OVERVIEW

Anoka County and the City of Blaine are developing a master planned community that promotes environmental stewardship, fosters a strong civic character and that is centered around mixed-use development anchored by a new stadium for the Minnesota Vikings.

.....This Place is *The Preserve at Rice Creek*

The Preserve at Rice Creek is a 740 acre “town center” development that merges the requirements of a professional football stadium with corporate, healthcare, residential, retail and conservancy uses to create a dynamic master planned community in the heart of Anoka County.

The primary anchor is The Minnesota Sports and Entertainment Center, an 80 acre development that will be active 365 days-a year. Our vision for a new Vikings stadium includes an integrated program of uses

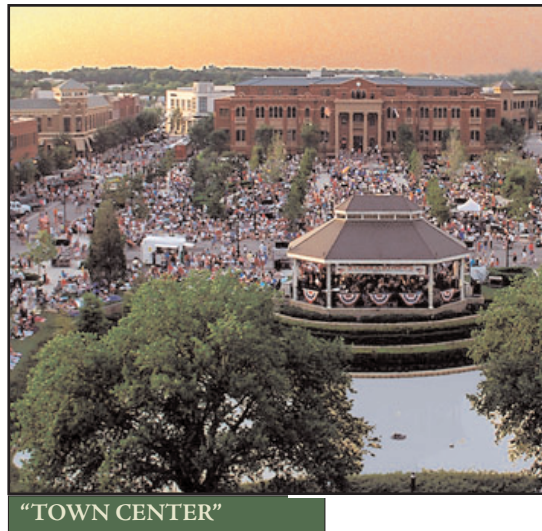
designed to enhance revenue and year-round use of the facility. By taking advantage of many lessons learned from Lambeau Field and Ford Field, this stadium will establish a new benchmark for professional sports facilities.

The officials of Anoka County and the City of Blaine have demonstrated a commitment to this vision by establishing a Finance Plan that is grounded in a philosophy of leveraging private capital investment.

This Finance Plan operates on the theory of maximizing the fiscal and economic impacts to the local communities as the means of realizing a return on the investment of public capital. The returns are optimized by creating a development plan that allows core stadium infrastructure to be utilized on a year-round basis.

The Preserve at Rice Creek offers the added advantage of capitalizing on existing infrastructure at the National Sports Center and Tournament Players Club

(TPC) of the Twin Cities to attain important infrastructure, operational and marketing efficiencies. The natural synergies that exist between these facilities provides Minnesotans with an opportunity to create a national destination that becomes the focal point for professional and amateur sports, family entertainment and a wide array of community interests. Anoka County will become center stage for activities ranging from amateur sporting events, to Viking football, family shows, NCAA tournaments and possibly a Superbowl.



“TOWN CENTER”



## PROJECT OVERVIEW

The Preserve at Rice Creek requires a bold master plan, a commitment to the future, and a partnership between public and private interests. To realize this vision, the elected officials of Anoka County and the City of Blaine have established a development plan for the project centered on 10 guiding principles:

### VISION FOR THE FUTURE

Anoka County and the City of Blaine are committed to the vision of The Minnesota Sports and Entertainment Center and The Preserve at Rice Creek as vibrant community projects that provide the maximum return on investment to their communities and the State of Minnesota.

### CREATE PUBLIC - PRIVATE PARTNERSHIP

The cornerstone of the Finance Plan is the ability to leverage the capital required to build a professional sports stadium and foster other economic growth in the region through the creation of jobs, tourism, expanded tax base and planned environmental stewardship. The realization of this vision is dependent upon the formation of strong partnerships between the State of Minnesota, Anoka County, the City of Blaine, the Minnesota Vikings and private development interests.

### BUILD COMMUNITY SUPPORT

Anoka County and the City of Blaine have demonstrated the leadership necessary to make this project a reality. With the support of local business and community leaders, Anoka County and the City of Blaine have adopted resolutions demonstrating their strong commitment to the project (Included in Section IV).

### OPTIMIZE CONNECTIVITY

Leveraging the value of real estate and deriving a benefit from the connection of uses are driving principles of the plan. The plan creates an environment of shared infrastructure and shared investment. The most successful recent sports and public assembly projects have capitalized on this same philosophy. Lambeau Field, for instance, has transformed itself into a year-round destination and a top tourism attraction in the region.

*Private capital investment is the cornerstone of the financing structure and the key element of this public-private partnership.*

### EMBRACE MIXED-USE

Supporting the integration of mixed land uses within master planned developments has become a critical element of achieving stronger community assets. The Preserve at Rice Creek is a model for mixed-use development in the region. It presents an opportunity to bridge dynamic uses ranging from stadium, corporate office, retail, residential, healthcare and environmental conservancy within the framework of a master planned community that will create diversity in the income streams, and balanced risk among the public and private investments.

## PROJECT OVERVIEW

### A PEDESTRIAN ENVIRONMENT

The master plan includes 5 developments interwoven within more than 250 acres of restored wetlands. In addition to roadways, the developments are planned to be connected by a trail system designed to encourage pedestrian movement between the stadium, commercial, retail and residential areas.

Success in “place-making” lies in configuring public spaces and buildings to allow an interconnection between them in a way that facilitates and encourages human activity and interaction. Every detail of our master plan is being guided by a strong focus on enhancing public spaces.

### ENVIRONMENTAL STEWARDSHIP

The Preserve at Rice Creek promotes respect for the environment and allows its residents to experience the strong connection between the land and the community. Through the enhancement of the natural features of the watershed, The Preserve at Rice Creek master plan offers a meaningful connection between wetland restoration and the built environment. The Preserve at Rice Creek is planned as a model for wetland and prairie restoration in the State of Minnesota.

### LEVERAGE INFRASTRUCTURE

The relationship between The Preserve at Rice Creek, The Minnesota Sports and Entertainment Center, the National Sports Center and The TPC of the Twin Cities provides a unique competitive advantage and

allows Minnesota the greatest opportunity to capitalize on existing infrastructure in support of the stadium. The location also offers the additional advantage that only modest improvements of infrastructure (e.g. roads, parking, etc.) are necessary beyond what is needed to support the mixed-use elements of The Preserve at Rice Creek, which are being financed by private investment.

### FISCAL RESULTS

Public investment must yield prudent fiscal results. Elected Officials in Anoka County and the City of Blaine have determined that the most effective means of realizing this important objective is through leveraged private investment of capital. The Finance Plan established for The Preserve at Rice Creek and The Minnesota Sports and Entertainment Center (Included in Section III) was adopted by local officials on

January 14th and 15th of 2004. This plan concentrates more than 70% of the project financing requirements on an economic development strategy centered on private investment.

### QUALITY OF LIFE

Professional sports enhance community identity, pride and the quality of life for all Minnesotans. The State of Minnesota can be proud to host major league sports teams. Anoka County and the City of Blaine have offered the people of Minnesota an opportunity to keep the Minnesota Vikings in Minnesota as well as enhance economic development, create jobs, encourage tourism, and expand the tax base for the State and region.

*The Preserve  
at Rice Creek  
offers a meaningful  
connection between  
wetland restoration  
and the built  
environment.*

## PROJECT OVERVIEW



### MINNESOTA SPORTS AND ENTERTAINMENT CENTER

- 70,000 Seat Fixed-Roof Professional Football Stadium
- Minnesota Vikings Headquarters and Training Facility
- 300,000 Square Foot Health, Fitness and Wellness Center
- 200 Room Business Class Hotel
- 100,000 Square Feet of Themed Retail



### THE SHOPS AT THE PRESERVE

- 300,000 Square Foot Retail and Entertainment "Town Center"
- 200,000 Square Foot Power Center
- 150,000 Square Foot Lifestyle Retail Center
- 3 Public Plazas and Pedestrian Corridor
- A Music Amphitheater



### THE CORPORATE CENTER AT THE PRESERVE

- 500,000 Square Feet of Corporate Office
- 700,000 Square Feet of Commercial Flex Space
- Build-To-Suit Corporate Headquarters Facilities



### RESIDENCES AT THE PRESERVE AT RICE CREEK

- 200 Units of Upscale Townhouse Development



### RICE CREEK CONSERVANCY

- 250 Acres of Natural Wetlands Reserve
- Public Biking, Hiking and Running Trails Around Conservancy

# PROJECT OVERVIEW

**CORPORATE OFFICE**

**RESIDENTIAL COMMUNITY**

**HEALTH/FITNESS FACILITIES**

**WETLAND RESTORATION**

**RETAIL AND ENTERTAINMENT**

Map labels include: COMMERCIAL SHOWROOM, PRACTICE FACILITY, DOMED STADIUM, MEDICAL OFFICE, HOUSING, TOWN CENTER, EXISTING AVEDA, OFFICE, CORPORATE OFFICE, POTENTIAL FUTURE DEVELOPMENT, LIFESTYLE RETAIL, VALUE RETAIL, WETLAND RESTORATION, INTERSTATE 25, and HOKLES STREET.

## PROJECT SITE

**A**nchored by the Minnesota Sports and Entertainment Center, The Preserve at Rice Creek creates a dynamic master planned community focused on sports, commerce, conservancy, health, wellness and family entertainment.

### A. LOCATION / SIZE

The site is located in Anoka County, comprised of 21 municipalities, with the City of Blaine being one of the fastest growing in the metro area. In the past decade, Anoka County has grown at a rate almost twice that of the rest of the State. Substantial growth in the area is projected to continue over the next 20 years.

By completing a market study of three available sites, Anoka County and the City of Blaine

have selected a 740 acre site located along Interstate 35W north of U.S. Highway 10, as the one offering the best possible economic return for the county. The site area is indicated in Figure 2.1 and is bounded by 109th Avenue on the North, Lexington Avenue on the East, Interstate 35W on the South and Naples Street on the West, the site is less than 20 miles from downtown Minneapolis and St. Paul, with easy access from the regional highway system.

The master plan is located on a “green field” site which is

open, developable land that includes more than 250 acres of restored wetlands. Aveda’s corporate headquarters is located on-site and will remain as an anchor corporation located in The Preserve at Rice Creek.



FIGURE 2.1

Figure 2.3 on page 8 illustrates the location of the site in relation to other points of interest in the metro area. The proximity to these other local destinations is an important point to emphasize, and they include: The National Sports Center, The Anoka County Janes Field Airport and The TPC of the Twin Cities.

The proximity of the airport is an advantage for regional visitors who may come to the stadium for games or events. The proximity of all three developments is another unique advantage of this site because parking, roadways and other infrastructure that are already built to support these sites can be shared by the stadium, thereby creating both cost and operational efficiencies between these event facilities and within the community.

# PROJECT SITE

## B. ACCESSIBILITY

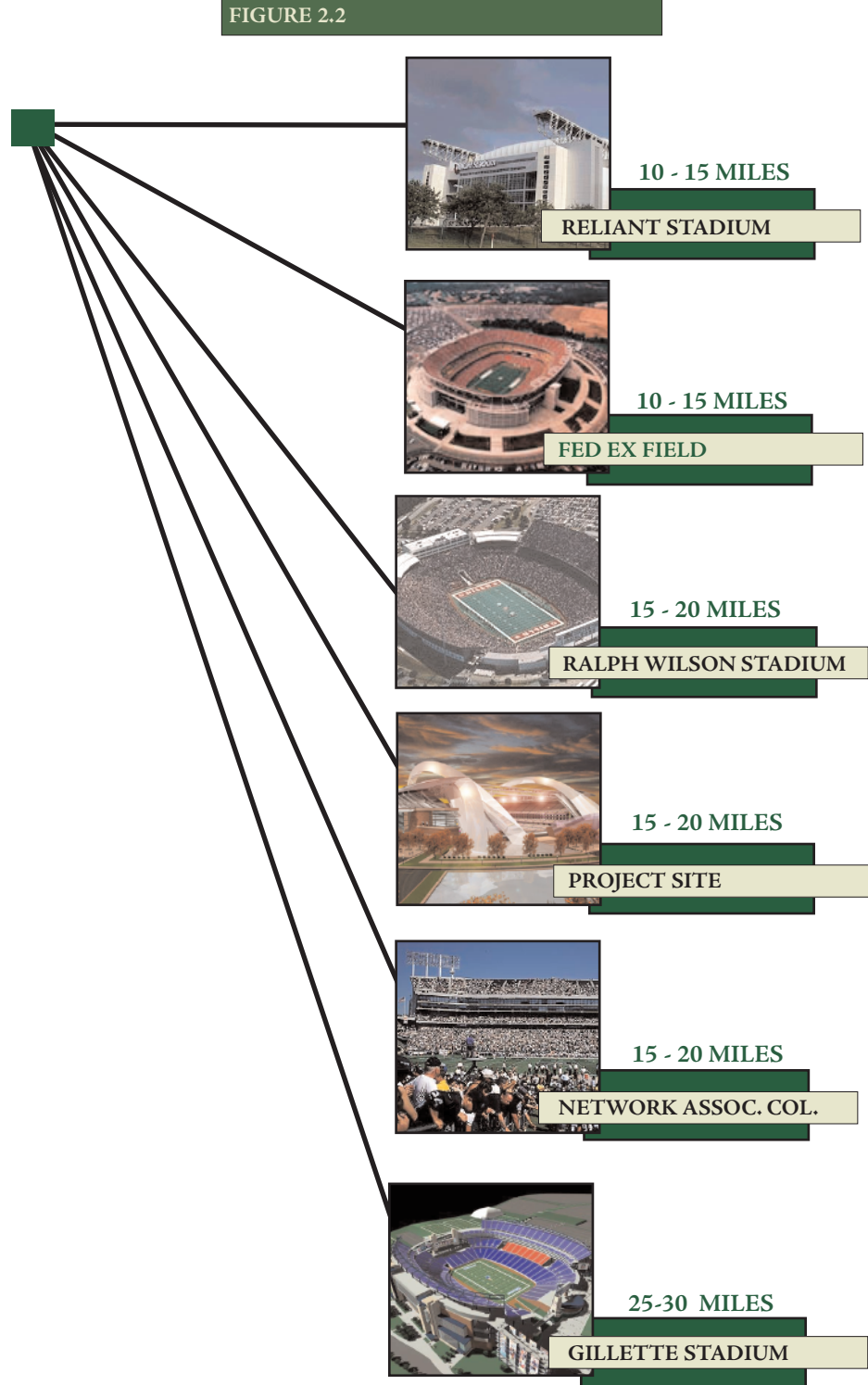
Adjacent to Interstate 35W, the site is between two recently reconstructed interchanges at Lexington Avenue and 95th Avenue. With minor improvements, these interchanges have adequate capacity to support the traffic demands of the site.

Radisson Road/95th Avenue has been widened to a 4 lane divided roadway in the last two years. Lexington Avenue is currently under contract to be widened to 4 lanes with provisions to expand to 6 lanes. The widening of 109th Avenue between Central Avenue and Radisson Road is currently planned for 2006. The Preliminary Traffic Analysis contemplates other improvements.

Located approximately 20 miles from both downtown Minneapolis and St. Paul, the project is easily accessible by major roadways. Figure 2.2 provides an illustration of the distance between the downtown Minneapolis and St. Paul city centers in comparison to the travel distances in other NFL cities with Stadiums in outlying metro locations. As demonstrated by the graph the site is comparable in distance to many successful stadiums in the NFL.

Figure 2.3 on the following page illustrates the primary and secondary access routes planned for use during peak demand periods. The map also highlights the adjacent facilities of the National Sports Center, The TPC of the Twin Cities and the Anoka County Janes Field Airport.

FIGURE 2.2



## PROJECT SITE

### C. PARKING / INFRASTRUCTURE

By utilizing the concept of shared parking, the Parking Management Plan (PMP) meets the requirements of the stadium and maximizes the use in off-peak periods.

The PMP identifies parking areas within The Preserve at Rice Creek as well as nearby parking at the National Sports Center and the 95th Avenue Park-and-Ride facility. A total of 22,900 surface parking stalls are available on-site. An additional 5,818 surface parking stalls are available at off-site facilities for a total parking inventory of 28,718 spaces. The estimated peak demand parking requirement is 25,600 parking stalls.

Another benefit of the project site that cannot be measured monetarily is the opportunity this site offers the fans of the Minnesota Vikings and other teams that play at the facility to revive the tailgating tradition in parking lots around the site.

### D. TRANSIT CONNECTIONS

The site is located on regular and express transit routes. Service is available via Metro Transit bus service and the Anoka County Traveler bus service. Northstar Commuter Rail will connect to existing bus service, allowing an effective regional transit link to The Preserve at Rice Creek. Express bus service will also be scheduled from various selected parking areas throughout the Metro

area. These express buses would follow the State Fair model. Between express and charter buses, there could be some 200 buses employed on game day. Figure 2.3 provides an overview of arterial corridors that would be used during stadium events to provide efficient access and service to the site by express and charter buses.

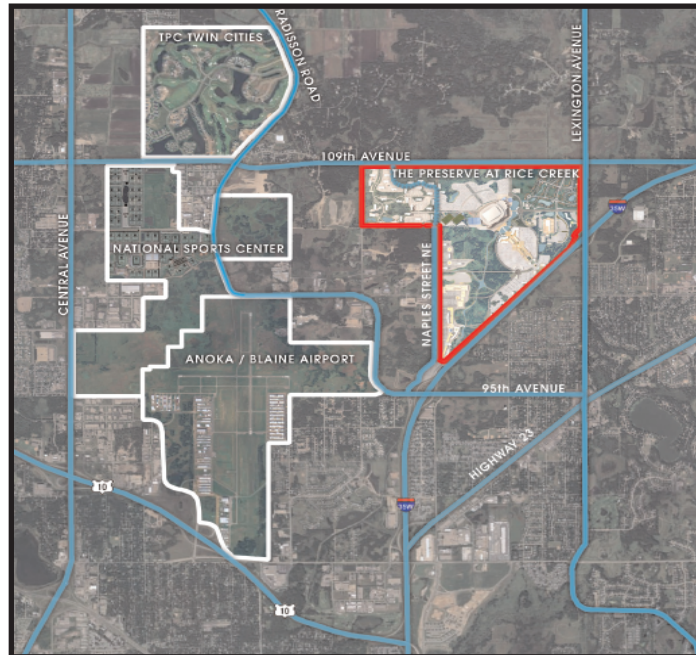


FIGURE 2.3

## PROJECT SITE

### E. STADIUM DEVELOPMENT

Historically, stadiums in the NFL have been funded with a high concentration of public money. More recently, public funding constraints and demands for “local revenue” have caused many teams and municipalities to pursue economic development strategies as catalysts to stadium development initiatives.

Lambeau Field in Green Bay, Wisconsin and Ford Field in Detroit, Michigan are two of the best examples of this trend to integrate economic development as a core strategy to stadium financing. Ford Field integrates a domed stadium with a 1.0 million square foot mixed-use development that includes hotel, retail and office uses. Lambeau Field’s renovation included the addition of Titledown -- a regional Packer themed destination that is quickly becoming Wisconsin’s number one tourist attraction.

The Minnesota Sports and Entertainment Center will include 7 core program elements as outlined on pages 9-10. Each program element is designed to operate independently, but the integration of these uses offers the ability to leverage core stadium infrastructure to drive heightened revenue 365 days-a-year.

#### MINNESOTA SPORTS AND ENTERTAINMENT CENTER



A 70,000 seat domed stadium designed to NFL program requirements.



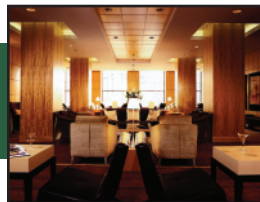
A 100,000 square foot training complex and the corporate offices of the Minnesota Vikings.



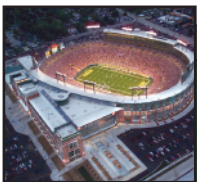
A themed entertainment attraction (Valhalla) will be built around the history and tradition of the Minnesota Vikings.



The stadium club and premium seating (suites) transitions to more than 100,000 square feet of conferencing facilities.



A 200-room business class hotel.



#### LAMBEAU FIELD

The Lambeau Field Atrium is truly going to fulfill its promise as a year-around destination for visitors from outside the county.

- Green Bay Press Gazette, Jan. 11, 2004



## PROJECT SITE

### MINNESOTA SPORTS AND ENTERTAINMENT CENTER

Themed retail will be located around a central plaza that will transition into a fan zone during ticketed events.



More than 300,000 square feet of state-of-the-art healthcare, fitness and wellness facilities.



### EXISTING SPORTS AND ENTERTAINMENT FACILITIES

The National Sports Center is one of the largest amateur sports complexes in the world with soccer, golf, cycling, ice sports and track and field.



The TPC of the Twin Cities is a PGA championship golf course development located within one mile of the site.



### F. COMBINED LOCATION

The master plan for The Preserve at Rice Creek is built around The Minnesota Sports and Entertainment Center as the anchor to the development. A new stadium for the Minnesota Vikings is the centerpiece of the sports center and the focal point of our local financial participation.

The site could also accommodate the requirements of a Major League Baseball facility. However, the efforts of Anoka County and the City of Blaine are geared toward a stadium for the Minnesota Vikings. It is believed that such a Vikings facility could also address the requirements of the University of Minnesota until such time as it achieves its on-campus stadium.

Additionally, the site would be an excellent location for a national soccer team and facility given that the City of Blaine is now recognized as a leading U.S. soccer community.

Finally, perhaps the greatest opportunity in the State of Minnesota to capitalize on shared infrastructure exists in Anoka County. The National Sports Center and The TPC of the Twin Cities offer exciting opportunities to capitalize on existing infrastructure located within 1 mile of the site.

### FORD FIELD

Our investment in Ford Field has been the catalyst to the expansion of the theater district, stores and restaurants in the area.

- William Clay Ford Jr., May 5, 2003



## PROJECT FINANCE

Funding for a new Minnesota Vikings stadium at The Preserve at Rice Creek is driven by an investment strategy to leverage private capital. Local officials have adopted a Finance Plan that uses local funding for the stadium as a catalyst to achieve measurable economic returns to the community.

### A. SOURCES AND USES OF FUNDS

The fundamental premise upon which the master plan has been conceived is the commitment by local officials to realize financial, economic and fiscal impacts from development of the site. This plan is structured to provide the potential for benefits nearly five times greater than what could be realized under current land use plans. Figure 3.1 demonstrates the total estimated fiscal impact to be generated

from The Preserve at Rice Creek. The key element of this plan is that a dominant portion of these fiscal impacts represent “new” dollars generated in the local community versus “displaced” dollars from within the region.

Achieving the fiscal benefits illustrated in Figure 3.1 requires the long term commitment of the local community and a platform to attract private capital to build the necessary infrastructure needed to support the development plan. The ability to attract private capital is

the primary motivation for both Anoka County and the City of Blaine to participate in the financing of a new stadium for the Minnesota Vikings.

The new stadium is viewed as a catalyst for the development plan at The Preserve at Rice Creek. The stadium will serve as a magnet to attract private development.

Our approach is unique and guided by a determination of what level of stadium

investment can be supported through local revenue and fiscal impacts. The primary purpose of our Finance Plan is to provide a measure of the efficiency and the threshold for local investment in stadium infrastructure. Efficiency is the critical measurement because it defines the level and type of investment that can be justified given the total fiscal and economic return to the communities. Through this measure, a benchmark investment of public funds has been established and supported by Anoka County and the City of Blaine.

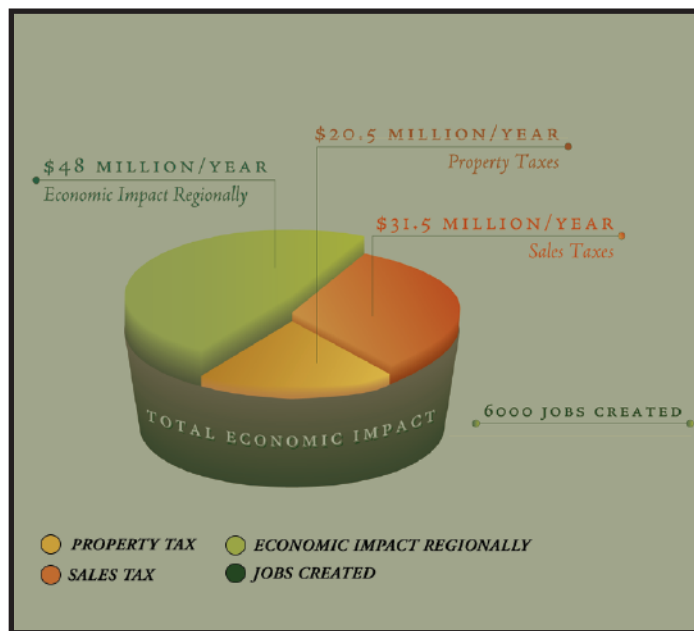


FIGURE 3.1

## PROJECT FINANCE

The Finance Plan is based on a balanced strategy to leverage public investment to attract an exponentially greater investment of private capital. Figure 3.2 demonstrates the economics of the Finance Plan for The Preserve at Rice Creek.

The total budget for all phases of development at The Preserve at Rice Creek includes the costs to develop a new fixed roof stadium at The Minnesota Sports and Entertainment Center.

It is estimated that the average cost for of a new NFL stadium will likely range from \$475 - \$650 million. The actual costs will ultimately be determined by a wide range of factors that are beyond the scope of this Proposal. Anoka County and the City of Blaine have committed to fund up to \$240 million of the stadium project costs.

While it is not the intent of the local communities to pre-suppose the terms related to securing the balance of the funding required, it is assumed that the Minnesota Vikings, the State of Minnesota and the host communities will enter into negotiations to determine the total sources of funding required for the stadium and the necessary commitments by each party.

### B. PRIVATE INVESTMENT

Private investment is the underpinning of the Finance Plan. The Investment of private capital at The Preserve at Rice Creek is estimated to exceed \$1.1 billion, nearly 3.5:1 that of the initial public funding required.

Several unique sources of private capital are included in the Finance Plan:

#### Developer Equity

The plan is based on private development interests providing an equity contribution to the stadium project in return for the development rights to the site.

Anoka County and the City of Blaine have engaged a joint venture between Hammes Company

and Kraus Anderson as primary developer of The Preserve at Rice Creek. The developer will coordinate the private development and contribute equity to secure development rights.

#### Conservancy Easement

The program allows for the establishment of a tax-shelter that can be "sold" as a means to secure contributions of private funds.

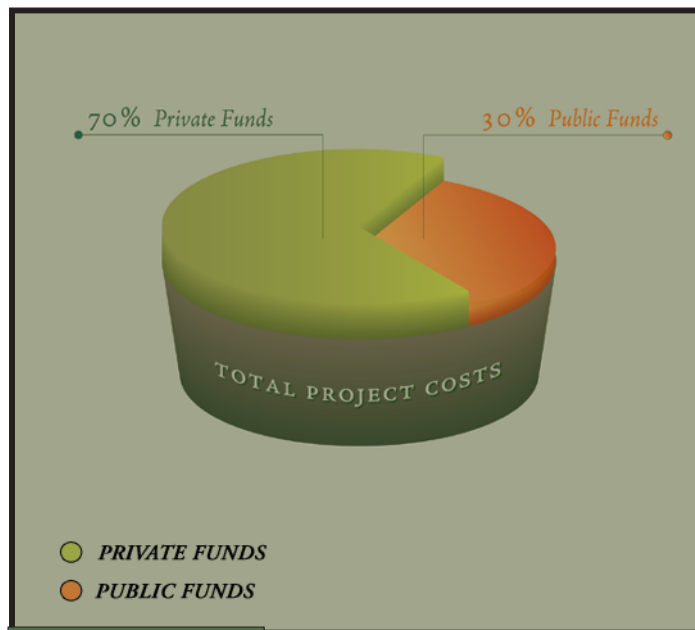


FIGURE 3.2

## PROJECT FINANCE

### Sponsorship Values

The creation of an integrated mixed-use and destination development anchored by a sports facility affords opportunities to capture heightened sponsorship revenues.

### Stadium Infrastructure

Private funding is under consideration as a means to build and operate a district utility plant to be shared among all uses within The Preserve at Rice Creek. This shared infrastructure will result in a reduced capital requirement for the stadium.

### C. PUBLIC INVESTMENT

The Finance Plan adopted by Anoka County and the City of Blaine commits up to \$240 million to the plans for construction of a stadium at The Preserve at Rice Creek.

Resolutions were adopted by the Anoka County Board of Commissioners on January 15, 2004 and the Blaine City Council on January 14, 2004. These Resolutions show the commitment of the host communities to support the Finance Plan established for The Preserve at Rice Creek, including a new stadium. The adopted resolutions are subject to the State of Minnesota legislature adopting the proper enabling legislation in a timely manner consistent with the requirements of the Finance Plan.

The Finance Plan requires specific enabling legislation from the Minnesota legislature. In the following sections, the term “local authority” shall mean Anoka County, the City of Blaine or the Stadium Commission.

Several fundamental provisions must be included in any such enabling legislation, including:

### Stadium Commission

The legislation would authorize Anoka County to establish a Stadium Commission to foster and promote sports, fitness and family entertainment developments that support the growth of mixed-uses within the local municipality. A Stadium Commission would have the authority to issue tax exempt revenue bonds for the purpose of making public improvements. This legislation would grant the Anoka County Board of Commissioners the authority to implement, by resolution, a sales and use tax of no more than 0.75%.

The Department of Revenue would distribute all of the sales and use taxes so implemented to the Stadium Commission. The legislation must provide for dedication of the taxes or fees, after payment and collection of administrative expenses, to payment of principle and interest on bonds issued by the local authority. These revenues could also be used to support operations and maintenance costs of the facilities.

The local authority would have additional power to implement, by resolution, a food and beverage tax at a rate of no more than 5.00% on the gross receipts within the local municipality, a parking tax or surcharge per event within the stadium district area shown on Figure 3.3, a lodging tax at a rate of no more than 5.00% of the gross receipts and a ticket tax or surcharge. The legislation must provide for dedication of the taxes or fees after payment and collection of administrative expenses to payment of principal and interest on bonds issued by the local authority.

## PROJECT FINANCE

### Property and Business Improvement District

The Property and Business Improvement District (“PBID”) legislation would authorize the local authority to form a property and business improvement district that may levy assessments on the businesses in the PBID and retain all sales, use and property taxes within the PBID for the purpose of making public improvements and promoting activities beneficial to the District and local municipalities.

The legislation would provide that the Department of Revenue distribute all of the sales, use and property taxes reported within the PBID to the Stadium Commission for its use or distribution to local municipalities. Any levy made on a business within the PBID must be for the purpose of public improvements, operations and

maintenance within the PBID. The bill would provide the power for the local municipality to determine, by resolution, that bonds should be issued for the purpose of financing public improvements within a PBID. The bonds would be issued as tax exempt obligations for income tax purposes.

### Tax Increment Financing

The City of Blaine must be granted the authority to establish a tax increment financing (TIF) district in accordance with the provisions of Minnesota Statutes.

Additionally, the District must allow for capture of all program elements currently outlined within the master plan.

### D. OWNERSHIP AND MANAGEMENT

The legislation described above would be structured to create a Stadium Commission that is a quasi-governmental unit, that is a body corporate and politic,

that is separate and distinct from, and independent of, the State of Minnesota and the political subdivisions within its jurisdiction, that has the powers as defined by the legislation and as are generally described below.

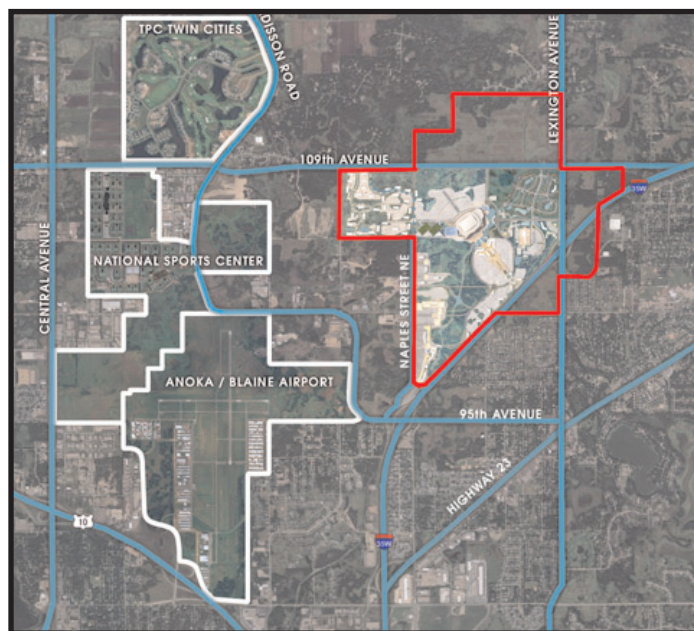


FIGURE 3.3

### Creation and Organization

The Stadium District shall be governed by a Stadium Commission. The Stadium Commission shall consist of three (3) persons appointed by the chief elected official of Anoka County, one (1) person appointed by the chief elected official of the City of Blaine, and one (1) person appointed by the Governor of the State of Minnesota.

### Powers of the Stadium Commission

The Stadium Commission shall be granted powers necessary or convenient to carry out the purposes and

## PROJECT FINANCE

provisions of the enabling legislation. The Stadium Commission will build, own and operate the Stadium. The Stadium Commission, among other responsibilities, shall have the authority to do the following:

1. Adopt bylaws to govern Stadium Commission activities.
2. Acquire, construct, equip, improve, operate and/or manage certain public improvements in the Stadium District as revenue generating enterprises, or engage other parties to assume these responsibilities.
3. Acquire, lease, as lessor or lessee, transfer, convey, use or accept transfers of property.
4. Improve, maintain and repair property, and fund reserves for maintenance, depreciation, capital reserves and working capital.
5. Enter into contracts subject to such standards as may be determined by the Stadium Commission board.
6. Mortgage, pledge or otherwise encumber property of the Stadium Commission.
7. Issue revenue bonds and enter into agreements for the insurance of bonds and related transactions.
8. Establish and collect fees or other charges for the right to purchase admission to events in the stadium and stadium district.
9. Create and implement, by adoption of resolution, certain taxes and fees provided for in the enabling legislation.
10. Enter into partnerships, joint ventures, common ownership and other agreements with other parties to further the Stadium Commission's purposes.
11. Collect and administer all funds under control of the Stadium Commission including without limitation, sales and use taxes, property taxes, ticket surcharge, etc.

## LOCAL GOVERNMENT AND COMMUNITY SUPPORT

The Anoka County Board of Commissioners and the Blaine City Council have demonstrated significant support and a commitment to develop the Minnesota Sports and Entertainment Center as evidenced by the enclosed resolutions that were adopted by each body in January 2004.

The Anoka County Board of Commissioners and the Blaine City Council have adopted, by resolution, on January 14th - 15th of 2004, a Finance Plan for the Minnesota Sports and Entertainment Center. Signed copies of each resolution are included in this Section IV of the Proposal. Included in these resolutions is the intent of local government to proceed in accordance with the Finance Plan, once the enabling legislation is secured with the State of Minnesota in a timely manner.

Local community and business support for The Preserve at Rice Creek, including the Minnesota Sports and Entertainment Center, has been outstanding. Few communities could harness the support of business and community leaders, governmental and civic interests to build consensus for a project of this magnitude.

The National Sports Center and The TPC of the Twin Cities offer perhaps the best testimony of the community's ability to build and operate successful projects of this magnitude. The success of the National Sports Center and The TPC of the Twin Cities in becoming national destinations demonstrates the capabilities of civic leaders in the community.

In addition, the Anoka County Housing and Redevelopment Authority and the City of Blaine

Economic Development Authority provided funding for the development of this Proposal.

The following organizations have expressed their support for the project:

Anoka Area Chamber of Commerce  
Anoka County Economic Development Partnership  
Building Trades  
Connexus Energy  
Forest Lake Chamber of Commerce  
Ham Lake Chamber of Commerce  
Minneapolis Metro North Convention and Visitors Bureau  
MetroNorth Chamber of Commerce  
North Metro Realtors Association  
Twin Cities North Chamber of Commerce

Many individuals and businesses have worked in support of this Proposal including nearly 50 community leaders known as the "Anoka County Ambassadors."

*Disclaimer: The materials contained in this Proposal are prepared solely for the purpose of allowing Anoka County and the City of Blaine to plan for the Project. It should be noted, that these projections were prepared in accordance with the requirements of the Proposal and no warranties or representations are made by any parties involved in compiling this Proposal as to the accuracy or completeness of the information. Parties reviewing this Proposal should make their own investigations and conclusions without reliance upon material contained herein.*

**CITY OF BLAINE**

**RESOLUTION NO. 04-10**

**APPROVING A MAJOR FACILITY DEVELOPMENT PLAN  
TO INCLUDE A VIKINGS STADIUM IN THE CITY OF BLAINE  
AND AUTHORIZING SUBMITTAL OF STADIUM PROPOSAL**

**WHEREAS**, in 2001, Anoka County, the Anoka County Housing and Redevelopment Authority, and the Anoka County Regional Railroad Authority established a collaborative effort to define a development investment strategy to promote economic development, increase jobs and tax base, and enhance the quality of life in Anoka County; and

**WHEREAS**, the development investment strategy identified the potential to develop major projects that serve the region and the State of Minnesota because of the availability of land, access to major freeways, low property taxes, and an available workforce; and

**WHEREAS**, Anoka County and the City of Blaine have worked together for the past year to develop a proposal for a new major development which will include mixed/multi-use housing, retail shops, commercial, and industrial development and, as the cornerstone, a state-of-the-art professional football stadium to be the future home of the Minnesota Vikings to be located on a site in the City of Blaine as identified in the Stadium Proposal; and

**WHEREAS**, the State of Minnesota, the County of Anoka, and the City of Blaine recognize that the history, pride and winning tradition of the Vikings football team are positive factors for economic development benefiting the entire State of Minnesota; and

**WHEREAS**, Anoka County selected a site in the City of Blaine for the major facility development after studying and ranking three potential sites in the County of Anoka; and

**WHEREAS**, the residents of the City of Blaine, Anoka County, the Minneapolis–St. Paul Metropolitan area, the State of Minnesota, and the upper Midwest region will derive positive economic benefits if the Minnesota Vikings remain in the state of Minnesota; and

**WHEREAS**, Anoka County and the City of Blaine have jointly prepared a proposal (hereinafter referred to as the “Stadium Proposal”), dated January 15, 2004, for submission to the Minnesota Stadium Screening Committee established by Governor Tim Pawlenty of the State of Minnesota; and

**WHEREAS**, the Stadium Proposal recognizes that the national trend in financing professional sports facilities is to fund projects through the combined resources of sports franchise owners, in partnership with private and public entities; and

**WHEREAS**, the economic benefit that will accrue to the residents of Anoka County, the residents of Blaine, and the residents of the State of Minnesota will exceed the local funding to be provided by the County of Anoka and the City of Blaine as described in the Stadium Proposal, the County and the City will provide the funding needed for the local contribution, assuming that the Minnesota Legislature, in a timely manner, provides the County and the City with the necessary statutory authority to do so; and

**WHEREAS**, Anoka County and the City of Blaine are prepared to raise funds to acquire the land necessary for the Project, assuming that the Minnesota Legislature in a timely manner, provides the County and the City with the authority to do so; and

**WHEREAS**, the City of Blaine intends to make ancillary improvements to the site of the development utilizing the statutory powers provided by the State of Minnesota to the City of Blaine and the Blaine Economic Development Authority; and



**WHEREAS**, the City of Blaine will exercise its authority under Minnesota Statutes, if necessary, to assemble the land for the Project site; and

**WHEREAS**, the project will be developed in a manner that promotes environmental stewardship and enhances the more than 240 acres of restored wetlands incorporated into the site.

**NOW, THEREFORE, BE IT RESOLVED**, that the City Council of the City of Blaine hereby expresses its strong support for and approval of the Project and authorizes the submittal of the Stadium Proposal, dated January 15, 2004, to the Minnesota Stadium Screening Committee, established by Governor Tim Pawlenty of the State of Minnesota.

**BE IT FURTHER RESOLVED**, that the commitments of the City of Blaine set forth in this resolution and the Stadium Proposal are conditioned upon the timely completion of the following actions:

(1) the Minnesota Legislature or its designee selects the Blaine, Minnesota site for the construction of a new professional sports facility for the Minnesota Vikings NFL football team;

(2) the Minnesota Legislature grants to Anoka County, the Anoka County Housing Redevelopment Authority, the City of Blaine, and the Blaine Economic Development Authority, in accordance with the Stadium Proposal, the authority necessary to implement the local portion of the stadium complex financing plan;

(3) the City of Blaine acquires the land necessary for the Project; and the project sponsors receive all necessary environmental clearances;

(4) the Minnesota Legislature establishes a governance structure for the ownership and operation of the stadium that recognizes the local financial contribution and public interest of Anoka County and the City of Blaine in the facility;

(5) the Minnesota Vikings franchise shall sign a lease with the building owner to play all of its home games in the facility for a period of 30 years; and

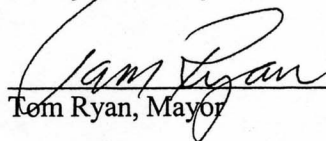
(6) the City of Blaine is able to negotiate terms and conditions that make the Project financially viable, as defined by the City of Blaine, and in the best interest of the City of Blaine, Minnesota.

**BE IT FURTHER RESOLVED** that the City Council of the City of Blaine affirms that, if all the conditions set forth herein are met, it will exercise its authority under Minnesota Statutes to assemble the land for the Project site utilizing legislatively authorized local sources of funding from among those identified in its Stadium Proposal dated January 15, 2004 and/or other funding sources identified by the Stadium Screening Committee, authorized by the Legislature, and mutually agreed upon by the City Council of the City of Blaine.

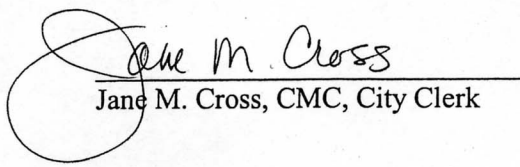
**BE IT FURTHER RESOLVED** that the negotiation and resolution of construction change orders required by contractors, including those due to unforeseen circumstances shall be under the control of the Stadium Commission and have no adverse impact upon the above-mentioned local contribution.

**BE IT FINALLY RESOLVED**, that the City Council of the City of Blaine affirms that it takes this action with the full belief that the economic benefit that will accrue to the people of Anoka County and the City of Blaine will exceed the investment of public funds.

**PASSED** by the City Council of the City of Blaine this 14<sup>th</sup> day of January 2004.

  
Tom Ryan, Mayor

**ATTEST:**

  
Jane M. Cross, CMC, City Clerk

# BOARD OF COUNTY COMMISSIONERS

## *Anoka County, Minnesota*

**DATE: January 15, 2004**

**RESOLUTION #2004-14**

**OFFERED BY COMMISSIONER: Langfeld**

### **APPROVING A MAJOR FACILITY DEVELOPMENT PLAN TO INCLUDE A VIKINGS STADIUM IN THE CITY OF BLAINE**

WHEREAS, in 2001, Anoka County, the Anoka County Housing and Redevelopment Authority, and the Anoka County Regional Railroad Authority established a collaborative effort to define a development investment strategy to promote economic development, increase jobs and tax base, and enhance the quality of life in Anoka County; and,

WHEREAS, the development investment strategy identified the potential to develop major projects that serve the region and the State of Minnesota because of the availability of land, access to major freeways, low property taxes, and an available workforce; and,

WHEREAS, Anoka County and the City of Blaine have worked together for the past year to develop a proposal for a new major development which will include mixed/multi-use housing, retail shops, commercial, and industrial development, and as the cornerstone, a state-of-the-art professional football stadium to be the future home of the Minnesota Vikings to be located on a site in the city of Blaine as identified in the stadium proposal; and,

WHEREAS, the State of Minnesota, the County of Anoka, and the City of Blaine recognize that the history, pride, and winning tradition of the Vikings football team are positive factors for economic development benefiting the entire state of Minnesota; and,

WHEREAS, Anoka County selected a site in the city of Blaine for the major facility development after studying and ranking three potential sites in the County of Anoka; and,

WHEREAS, the residents of the city of Blaine, Anoka County, the Minneapolis – St. Paul metropolitan area, the state of Minnesota, and the upper midwest region will derive positive economic benefits if the Minnesota Vikings remain in the state of Minnesota; and,

WHEREAS, the business community in and around Anoka County, through the chambers of commerce, has asked the County of Anoka and the City of Blaine to recruit the Minnesota Vikings; and,

WHEREAS, Anoka County and the City of Blaine have jointly prepared a proposal (hereinafter referred to as the "Stadium Proposal") dated January 15, 2004, for submission to the Minnesota Stadium Screening Committee established by Governor Tim Pawlenty of the State of Minnesota; and,

WHEREAS, the Stadium Proposal recognizes that the national trend in financing professional sports facilities is to fund projects through the combined resources of sports franchise owners, in partnership with private and public entities; and,

WHEREAS, the economic benefit that will accrue to the residents of Anoka County and the residents of the state of Minnesota will exceed the local funding to be provided by the County of Anoka and the City of Blaine as described in the Stadium Proposal, the county and the city will provide the funding needed for the local contribution, assuming that the Minnesota Legislature, in a timely manner, provides the county and the city with the necessary statutory authority to do so; and,

WHEREAS, Anoka County and the City of Blaine are prepared to raise funds to acquire the land necessary for the project, assuming that the Minnesota Legislature, in a timely manner, provides the county and the city with the authority to do so; and,

WHEREAS, the City of Blaine intends to make ancillary improvements to the site of the development utilizing the statutory powers provided by the State of Minnesota to the City of Blaine and the Blaine Economic Development Authority; and,

WHEREAS, the City of Blaine will exercise its authority under Minnesota Statutes, if necessary, to assemble the land for the project site; and,

WHEREAS, the project will be developed in a manner that promotes environmental stewardship and

**RESOLUTION #2004-14**

**Page 2**

enhances the more than 240 acres of restored wetlands incorporated into the site:

NOW, THEREFORE, BE IT RESOLVED that the Anoka County Board of Commissioners hereby expresses its strong support for and approval of the project and authorizes the submittal of the Stadium Proposal dated January 15, 2004, to the Minnesota Stadium Screening Committee established by Governor Tim Pawlenty of the State of Minnesota.

BE IT FURTHER RESOLVED that the commitments of Anoka County set forth in this resolution and the Stadium Proposal are conditioned upon the timely completion of the following actions:

1. The Minnesota Legislature or its designee selects the Blaine, Minnesota, site for the construction of a new professional sports facility for the Minnesota Vikings NFL football team; and,
2. The Minnesota Legislature grants to Anoka County, the Anoka County Housing and Redevelopment Authority, the City of Blaine, and the Blaine Economic Development Authority, in accordance with the Stadium Proposal, the authority necessary to implement the local portion of the stadium complex financing plan; and,
3. The City of Blaine acquires the land necessary for the project and the project sponsors receive all necessary environmental clearances; and,
4. The Minnesota Legislature establishes a governance structure for the ownership and operation of the stadium that recognizes the local financial contribution and public interest of Anoka County and the City of Blaine in the facility; and,
5. The Minnesota Vikings franchise sign a lease with the building owner to play all of its home games in the facility for a period of 30 years; and,
6. Anoka County is able to negotiate terms and conditions that make the project financially viable and in the best interest of Anoka County.

BE IT FURTHER RESOLVED that the Anoka County Board of Commissioners affirms that, if all the conditions set forth herein are met, it will implement the county portion of a stadium complex financing plan providing for local public support of up to \$240 million, plus adjustments for inflation, of legislatively authorized local sources of funding from among those identified in its Stadium Proposal dated January 15, 2004, and/or other funding sources identified by the Minnesota Stadium Screening Committee, authorized by the legislature, and mutually agreed upon by the Anoka County Board of Commissioners.

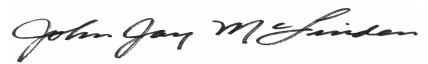
BE IT FURTHER RESOLVED that the negotiation and resolution of construction change orders requested by contractors, including those due to unforeseen circumstances, shall be under the control of the Stadium Commission and have no adverse impact upon the above-mentioned local contribution.

BE IT FINALLY RESOLVED that the Anoka County Board of Commissioners affirms that it takes this action with the full belief that the economic benefit that will accrue to the people of Anoka County and the city of Blaine will exceed the investment of public funds.

STATE OF MINNESOTA)  
COUNTY OF ANOKA ) SS

I, John "Jay" McLinden, County Administrator, Anoka County, Minnesota, hereby certify that I have compared the foregoing copy of the resolution of the county board of said county with the original record thereof on file in the Administration Office, Anoka County, Minnesota, as stated in the minutes of the proceedings of said board at a meeting duly held on January 15, 2004, and that the same is a true and correct copy of said original record and of the whole thereof, and that said resolution was duly passed by said board at said meeting.

Witness my hand and seal this 15th day of January 2004.

  
JOHN "JAY" McLINDEN  
COUNTY ADMINISTRATOR

	<u>YES</u>	<u>NO</u>
DISTRICT #1 – BERG	X	
DISTRICT #2 – LANG	X	
DISTRICT #3 – LANGFELD	X	
DISTRICT #4 – KORDIAK	X	
DISTRICT #5 – MCCAULEY	X	
DISTRICT #6 – SIVARAJAH		X
DISTRICT #7 – ERHART	X	



# STADIUM SITE PROPOSAL

## Eden Prairie Golden Triangle Area

Eden Prairie, Minnesota

January 15, 2004

Prepared by:

City of Eden Prairie  
&  
Eden Prairie Chamber of Commerce



Minnesota Vikings Stadium  
Courtesy of the Minnesota Vikings



Minnesota Twins Ball Park  
Courtesy of the Minnesota Twins

# Eden Prairie Stadium Site Proposal

Dear Mr. McElroy and Committee Members:

On behalf of the Eden Prairie City Council and Chamber of Commerce Board of Directors, it is our pleasure to present you with Eden Prairie's Stadium Site Proposal. Our proposal is a joint effort between the City of Eden Prairie and the Eden Prairie Chamber of Commerce. The Eden Prairie Proposal is a simple one. We believe that we offer the best location for a stadium, or a pair of stadiums, in the Twin Cities metropolitan area in our Golden Triangle Business Park - based primarily on these facts:

- *Close to the majority of Vikings and Twins season ticket holder's homes.*
- *Conveniently located within the I-494/694 regional beltway with great access to and from the metro area.*
- *Surrounded by four major highways including I-494, TH 212, TH 169, and Crosstown 62.*
- *Over \$516,000,000 in new highway infrastructure improvements planned (and funded) for the surrounding highways. These projects will be completed by 2008 and will add 165,000 vehicles per day capacity to local highways, and will increase vehicle capacity by 75% - significantly improving mobility throughout the southwest region.*
- *The Golden Triangle has the capacity to handle traffic generated by a major event – since between 25,000 and 30,000 vehicles (commuters) arrive successfully into the Golden Triangle each morning and within a short time frame.*
- *Estimated 30,000 existing (privately owned) parking spaces within a mile of the site that could be available for weekend and evening events.*
- *The area is primarily a business park - so there is very little traffic and plenty of available parking at night and on weekends.*
- *There are multi-modal transportation options available in the area and plans for extending Light Rail from Minneapolis to Eden Prairie.*
- *Over 80 restaurants and 3,500 hotel rooms nearby.*
- *Close to the regions most popular attractions including the Mall of America, Valley Fair, Mystic Lake Casino, and Canterbury Downs.*

Our offer to host the stadium(s) is the limit of what Eden Prairie is offering at this point in the process. The benefits of a new stadium(s) will accrue to citizens statewide. We believe that no single community, or its taxpayers, should be asked to shoulder the financial burden of financing a statewide quality-of-life asset. If there is an element of public financing necessary to develop a new stadium, we believe the source of this financing should be from a statewide source.

We want to take this opportunity to thank you for your service to the citizens of our state through your membership on this committee. Our state has struggled with this issue for decades. It is a difficult public policy issue and one that will challenge everyone involved to make compromises if success is to be achieved.

Sincerely,



Nancy Tyra-Lukens,  
Mayor - City of Eden Prairie



Kelly Salwei,  
Board Chair - Eden Prairie Chamber of Commerce

# Eden Prairie - Stadium Site Proposal

## Eden Prairie – General Description

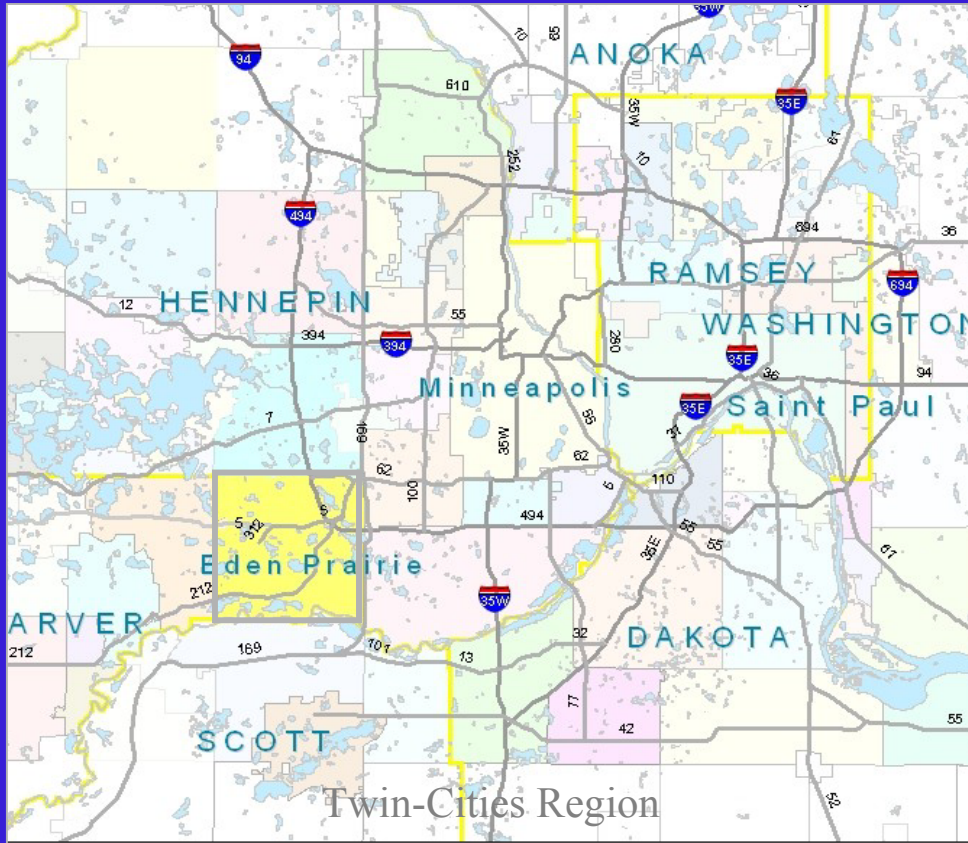
- The proposed stadium area is located in Eden Prairie, Minnesota – a thriving suburban community conveniently located in the southwest region of the Twin Cities Metropolitan Area.
- Eden Prairie has been one of the region’s fastest growing cities over the last twenty years and has emerged as one of Minnesota’s most desirable places to live and work. It is now the address of choice for 60,000 people and over 2,200 businesses.
- Served by an extensive network of highways including I-494, TH 169, TH 212, TH 5, and Crosstown 62.
- Also served by Southwest Metro Transit and a new 900 space park & ride and mixed use development called Southwest Station.
- Well recognized around the region and country for its quality of life, Eden Prairie was recently ranked by Money Magazine as the sixth “hottest town” in the Central Region of the United States.
- A popular dining destination and recently coined "Eatin’ Prairie" with its diverse choices of over 80 upscale, casual, and fast food dining experiences. Eden Prairie is also home to 11 hotels.

## Golden Triangle – General Description

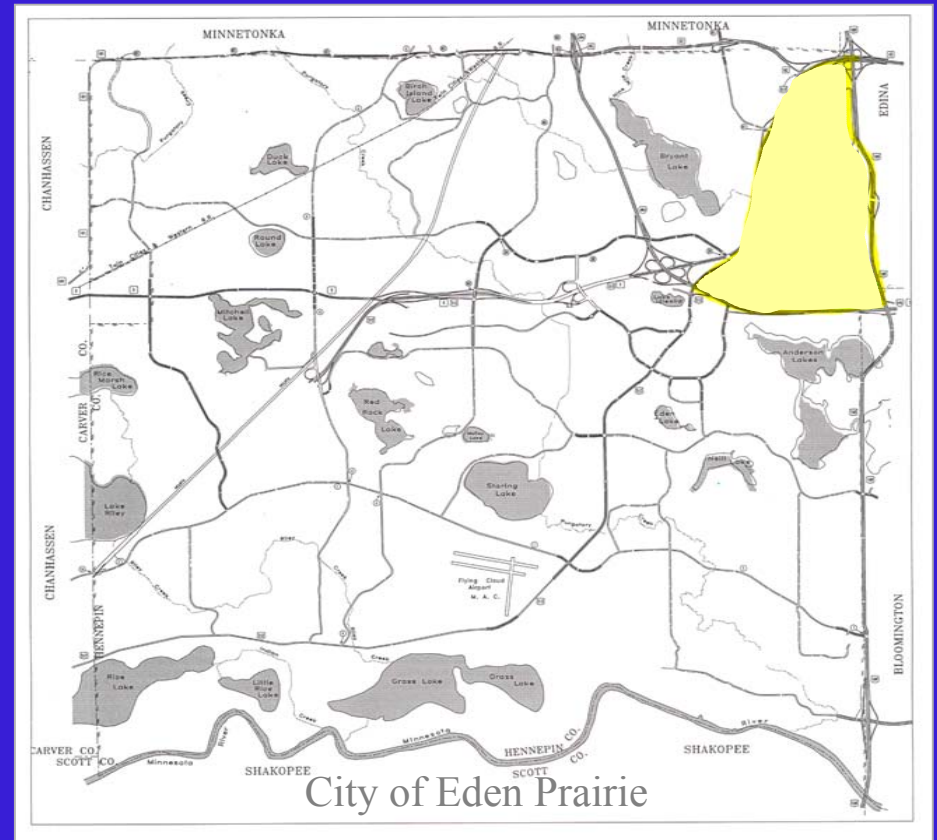
- The area identified for a stadium is within the north half a 900 acre office-industrial business park located in the northeast corner of Eden Prairie called the Golden Triangle - 13 miles from downtown Minneapolis. Its name relates to the shape created by the major highways surrounding the park – Highway 212 on the west; Crosstown 62 on the north; Highway 169 on the east; and Interstate 494 on the south.
- The Golden Triangle is about 95% developed – a stadium would be part of a redevelopment project.
- Approximately 30,000 vehicles arrive and depart successfully from the Golden Triangle daily and the various roadway access points to and from the area accommodate approximately 60,000 existing vehicle trips per day.
- Home to Winter Park - the Minnesota Vikings Corporate headquarters and practice facility.
- Has an estimated 30,000 privately owned parking spaces and about 9 million square feet of primarily office and industrial building space. There are 335 housing units in the area (331 apartments and 4 single family).
- Surrounding land uses include residential on the west side of TH 212 in Eden Prairie and on the east side of TH 169 in Edina. The area north of the Triangle includes the City West Business Park in Eden Prairie, and the OPUS Business Park – which is located north of Crosstown 62 in Minnetonka. South of I-494 are office and commercial uses.
- Represents about 5% of the City’s overall land area, but comprises nearly 36% of all office and industrial land in the City. It also has about 30,000 jobs representing over half of the City’s total employment base.

# Eden Prairie - Stadium Site Proposal

## Stadium Site - Location:



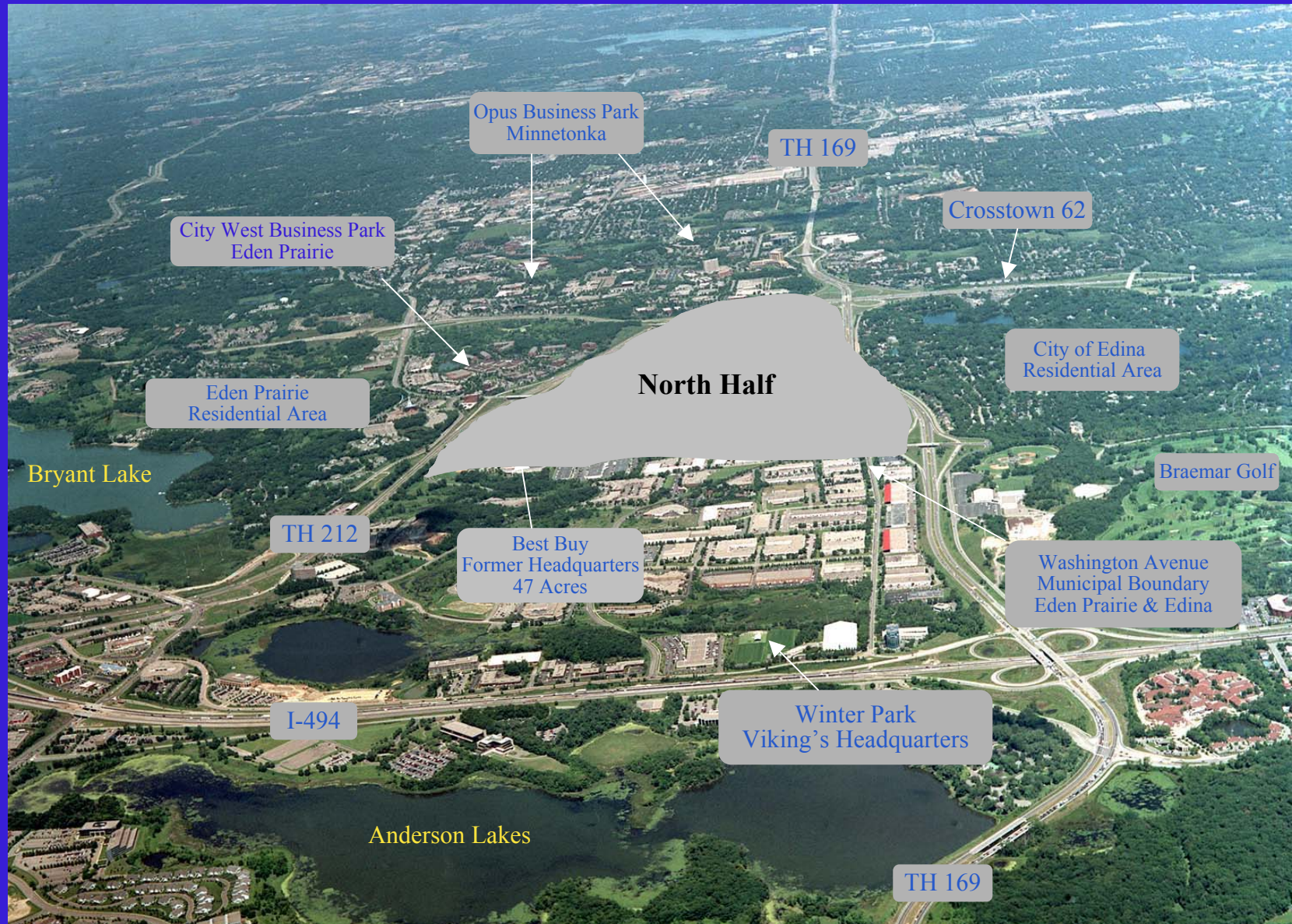
Eden Prairie  
Metro Perspective



Eden Prairie  
Golden Triangle Area

# Eden Prairie - Stadium Site Proposal

## Stadium Site - Location:



Golden Triangle Area



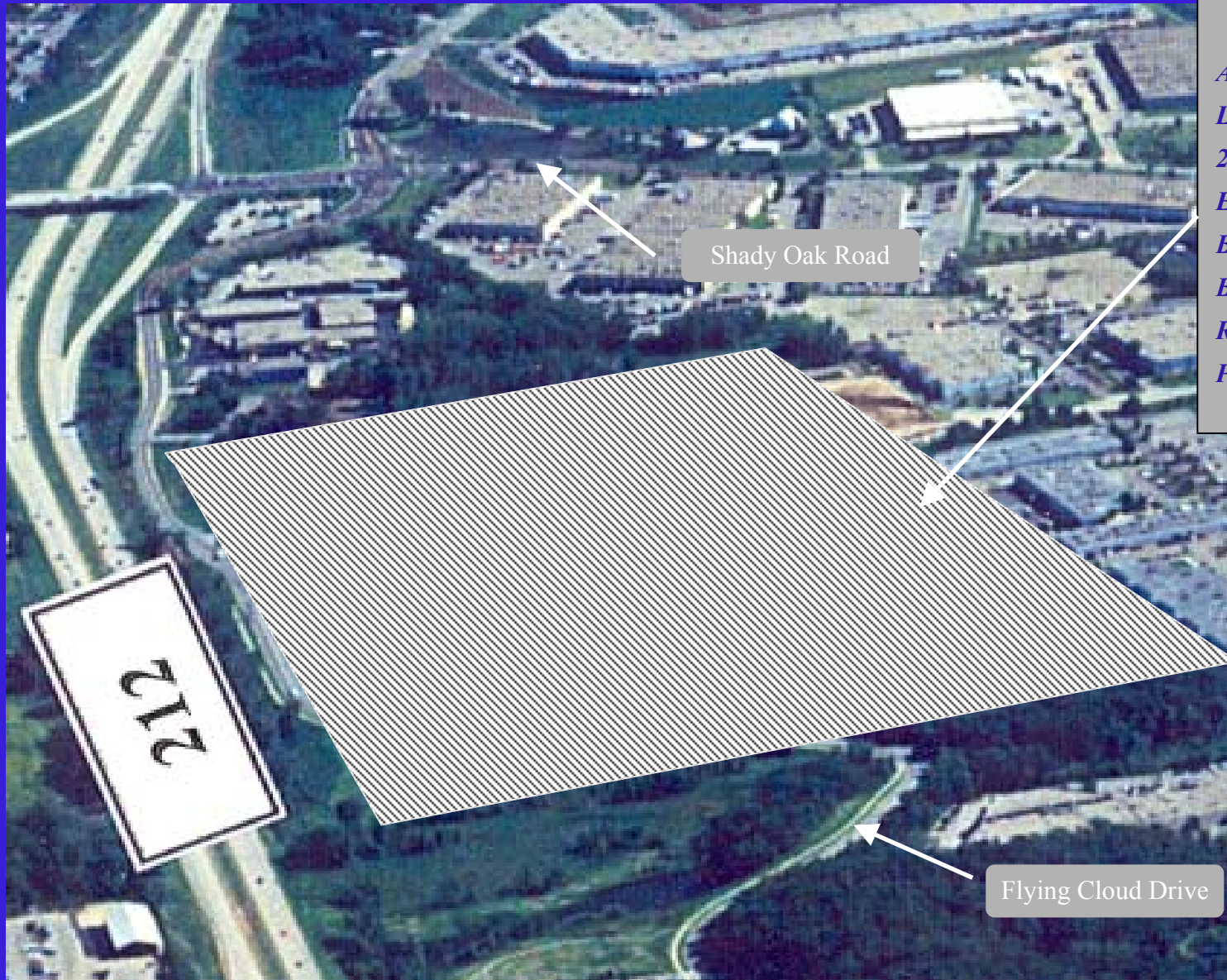
# Eden Prairie - Stadium Site Proposal

## Stadium Site - Location:

- The north half of the Eden Prairie Golden Triangle Area is an ideal location for a new Vikings or Twins stadium, or both. Both the Vikings and Twins have expressed interest in the Golden Triangle and agree it has the “essentials” for accommodating a stadium.
- The north half includes about 400 acres of land area and consists mainly of existing (privately owned) single-level industrial and office warehouse buildings. Many buildings in this area were constructed over twenty years ago – making them likely candidates for future redevelopment. This is a key reason the City is considering the area for a stadium redevelopment.
- Other than parcels that are currently for sale, the City has not identified specific parcels within this area for the stadium for the following reasons:
  - There are numerous locations within the 400 acre area that would be suitable for a stadium.
  - We believe it should be left up to the teams and/or the State to determine the exact location for a stadium based on further and more specific site analysis.
  - The City does not own or control the properties within the area identified for a stadium.
  - Since this phase of the stadium process is very conceptual and will undoubtedly focus primarily on financing issues, we want to avoid interfering with existing businesses in the area, as well as with any real estate transactions currently in progress.
- There are parcels within the site area that are currently for sale. Once such parcel, which has the necessary acreage, is highly visible, and very accessible is the former Best Buy Corporate Headquarters. This site is a total of 47 acres and has one 350,000 square foot office building located on the southeastern portion of the property. There are also about 1,500 existing parking stalls on the site.
- The Twins have indicated they will need at least 16 acres for a new stadium – the Vikings estimate they will need 25 acres. The 47 acre Best Buy property has ample land area for either a Twins or Vikings stadium as well as for a significant amount of new stadium parking and tail gating area. It may also be enough land area for the teams to consolidate their practice facilities and corporate offices, and to include visitor attractions, hall of fame and other ancillary uses within the development.
- There are also opportunities for nearby hotel, retail, restaurant, entertainment, office and related housing development and redevelopment.

# Eden Prairie - Stadium Site Proposal

## Stadium Site - Location:



<u>Best Buy Site</u>	
<i>Acres</i>	- 47
<i>List Price</i>	- \$29,000,000
<i>2003 EMV</i>	- \$15,000,000
<i>EMV/Acre</i>	- \$319,148
<i>Building</i>	- 345,299 sq. ft.
<i>Built</i>	- 1983
<i>Renovated</i>	- 1995
<i>Parking</i>	- 1,502 spaces

Best Buy Former Headquarters Site

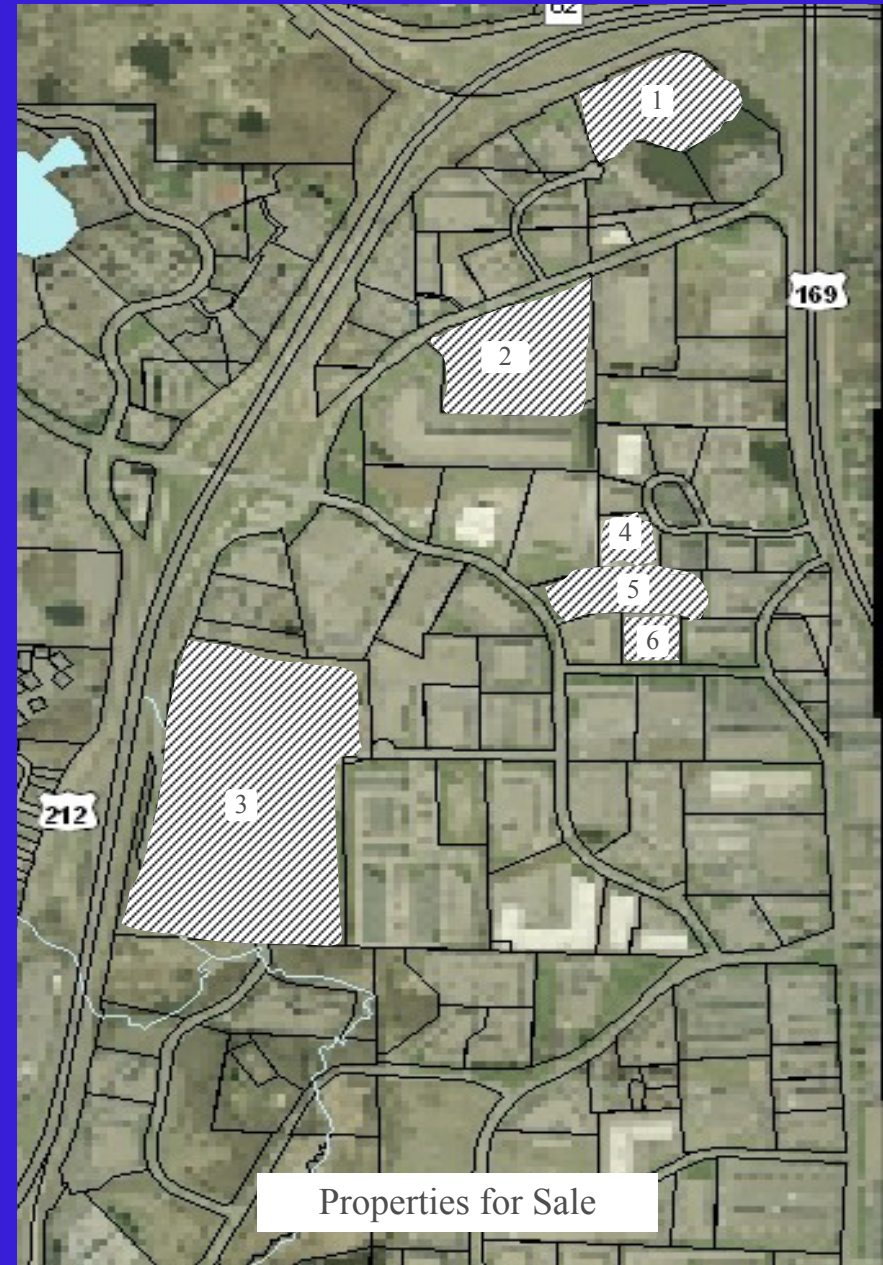
# Eden Prairie - Stadium Site Proposal

## Stadium Site - Location:

- Properties for sale in the area include:

Site	Acreage	Owner	2003 List Price	Estimated Market Value
1.	11	Best Buy	\$20,500,000	\$15,500,000
2.	15.80	United Properties	Negotiable	\$ 6,600,000
3.	47.67	Best Buy	\$29,000,000	\$15,000,000
4.	3.12	FOS-SON Properties	\$ 2,100,000	\$ 1,617,000
5.	6.33	Shady Oak I, LLC	\$ 4,050,000	\$ 3,433,000
6.	2.85	The Allens Three	\$ 2,200,000	\$ 1,544,000

Total of 86.77 acres

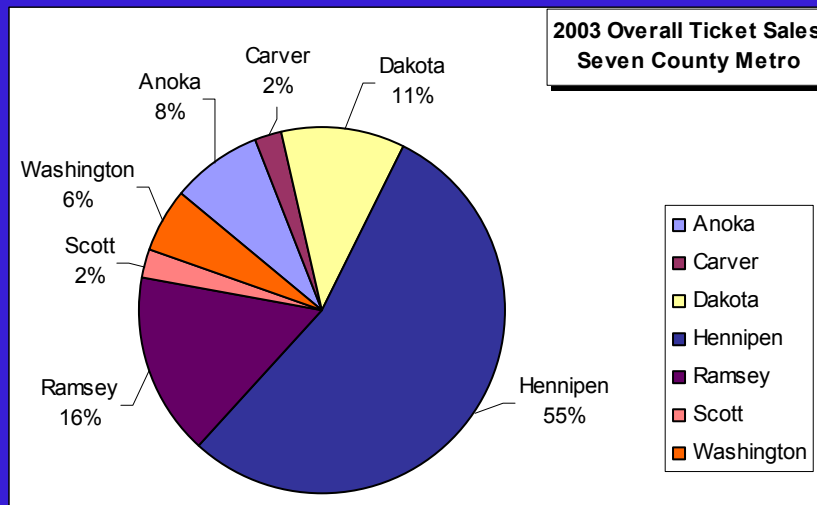


# Eden Prairie - Stadium Site Proposal

## Stadium Site - Accessibility:

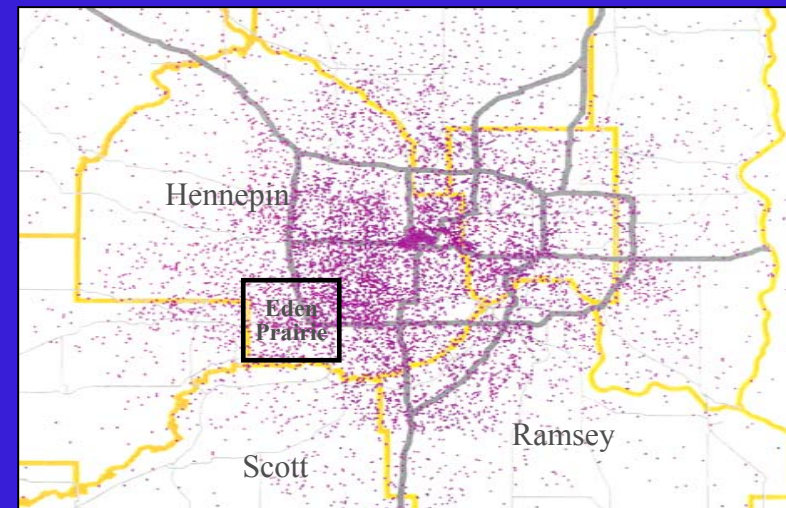
- Close to the majority of Vikings and Twins season ticket holders homes.
  - Keeping a stadium within short distance from the majority of season ticket holders should be a key consideration in selecting the appropriate site. According to both the Vikings and Twins, the highest concentrations of season ticket holders reside in the southwest area of the region. This is apparent in the following illustrations provided by the teams:

Minnesota Twins – 2003 Ticket Sales by County



Courtesy of the Minnesota Twins

Minnesota Vikings – Season Ticket Holders



Courtesy of the Minnesota Vikings

The first graphic clearly shows that the majority of Twins tickets sold in 2003 were to persons residing in Hennepin County. Most Viking season ticket holders live a short distance from Eden Prairie and would have a short distance to drive if the stadium was located in the Golden Triangle.

# Eden Prairie - Stadium Site Proposal

## Stadium Site - Accessibility:

- The Golden Triangle is within the I-494 / I-694 regional beltway and has great access to and from the metro area.
- Multi-modal transportation options are available to the site including cars, bus transit, and possibly light rail transit.



Within the I-494 Beltway

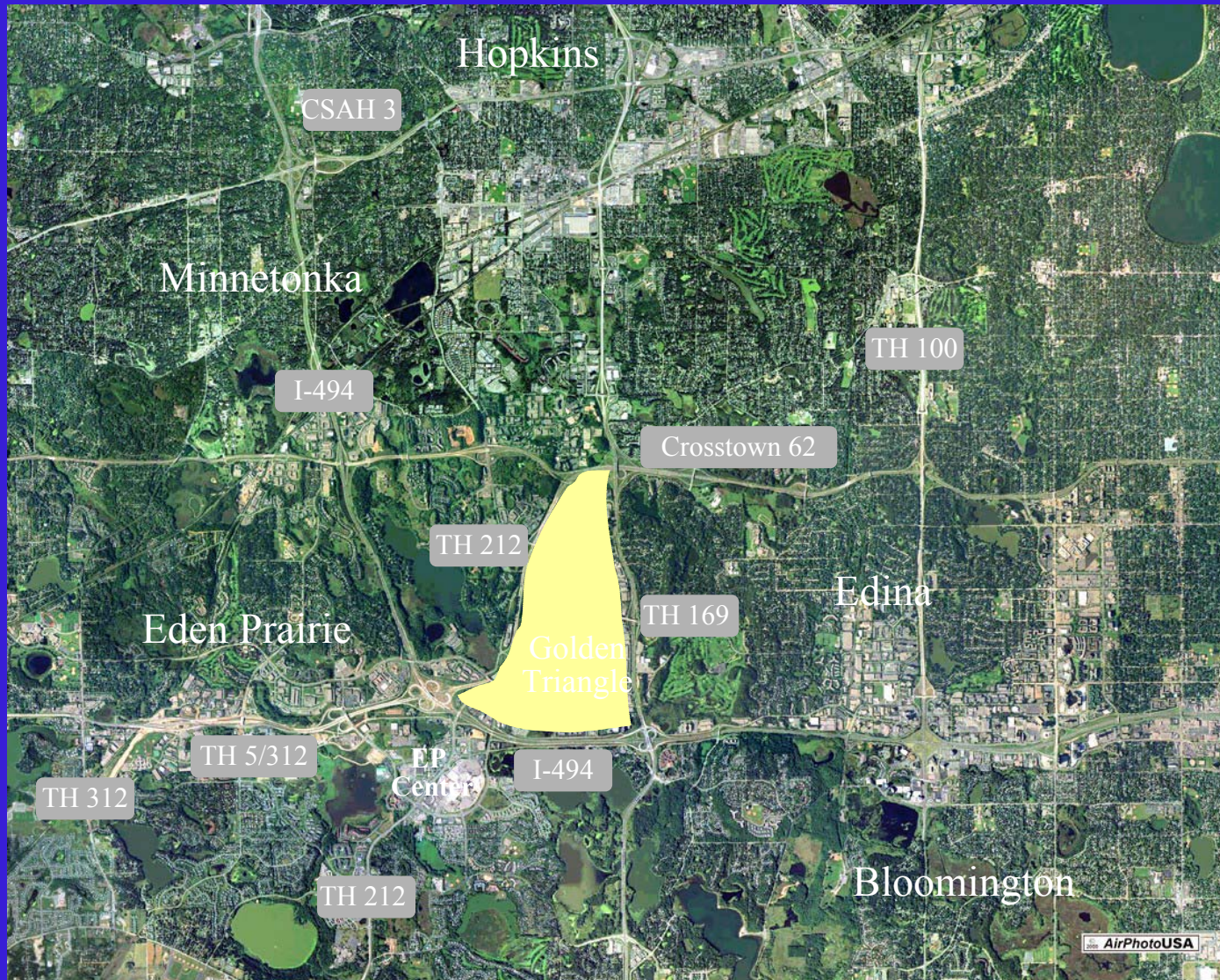


Many Regional Highways Lead to Eden Prairie

# Eden Prairie - Stadium Site Proposal

## Stadium Site - Accessibility:

- Surrounded by four major highways including I-494, TH 212, TH 169, and Crosstown 62.
- Great stadium visibility from all surrounding highways with several possible site locations.

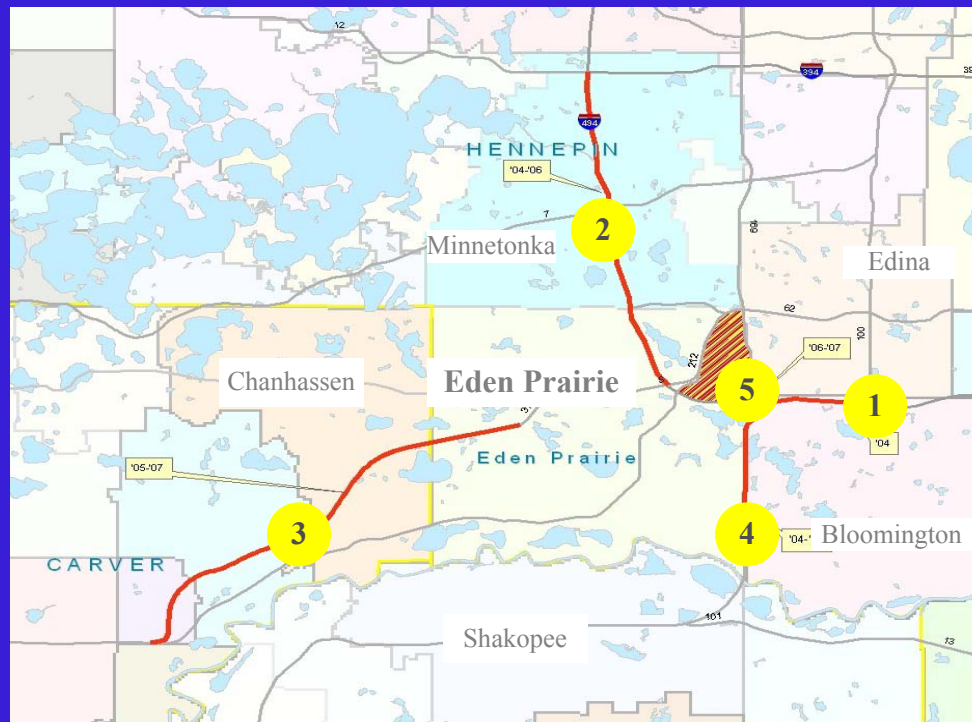


# Eden Prairie - Stadium Site Proposal

## Stadium Site - Accessibility:

- Major highway improvements are planned and funded for I-494, TH 312/212, and TH 169. These projects total over \$500,000,000 in new highway infrastructure investments for the southwest area. When completed, these projects will significantly improve mobility throughout Eden Prairie and the southwest metro area and will be completed within a favorable timeline, considering that a new stadium could take four years to complete. The combined projects will add 165,000 vehicles per day capacity to the highway system in and around Eden Prairie. This is a 75% increase in the capacity of the highway system.

Highway	Improvement	Start/Complete	Cost
1. Interstate 494	Add 3 <sup>rd</sup> Lane from TH 100 to TH 212	2003-2005	\$80 Mil.
2. Interstate 494	Add 3 <sup>rd</sup> Lane from TH 212 to I-394	2004-2006	\$85 Mil..
3. TH 312/212	4 Lane Freeway from CSAH 4 to Cologne	2005-2007	\$250 Mil.
4. TH 169	Grade-separate 2 intersections	2004-2005	\$21 Mil
5. TH 169/I494	Major Interchange Reconfiguration (includes new Washington Ave. Bridge)	2006-2008	\$80 Mil.
	<b>Total</b>		<b>\$516,000,000</b>



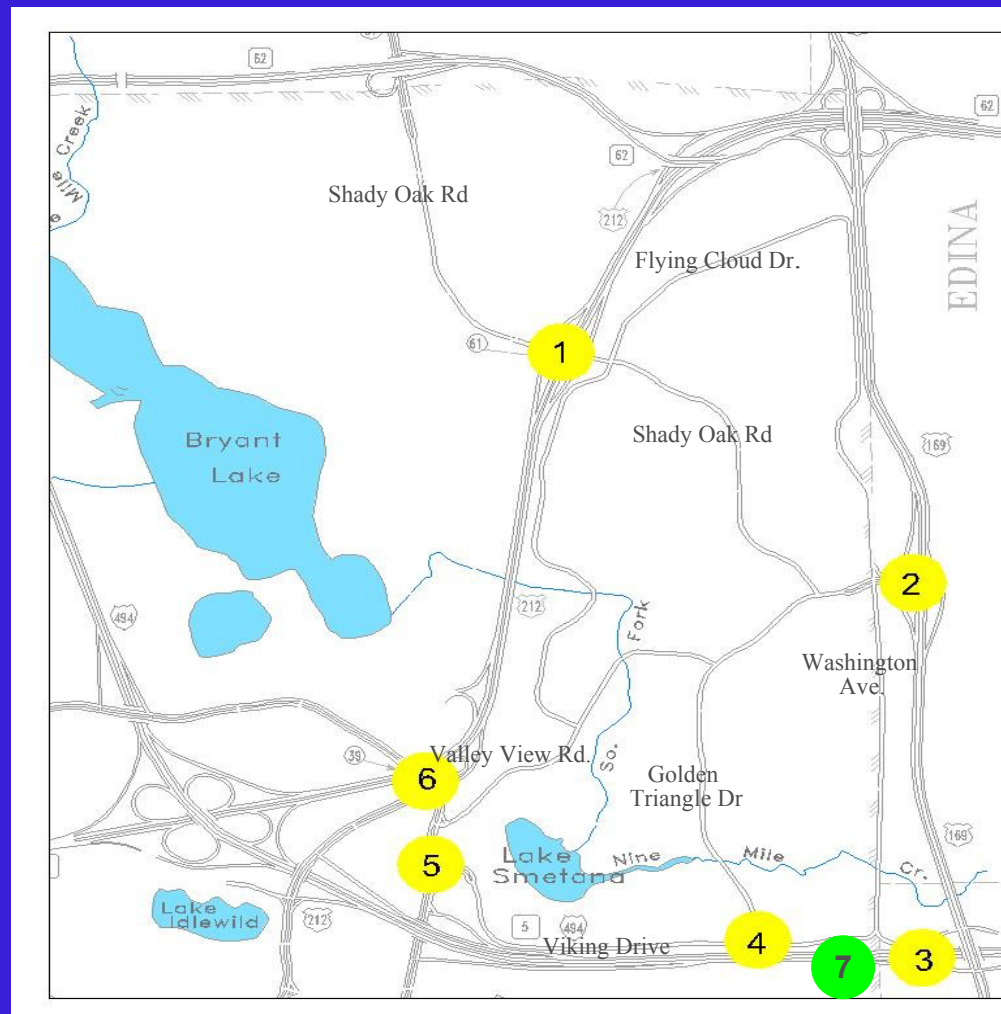
# Eden Prairie - Stadium Site Proposal

## Stadium Site - Accessibility:

- Between 25,000 – 30,000 cars arrive and depart successfully from the Golden Triangle daily during peak travel periods.
- Multiple ingress & egress options to and from the Golden Triangle.
- The Triangle is primarily a business park – so there is very little traffic and a lot of available parking at night and on weekends.

### ● Access Points

1. TH 212 & Shady Oak Rd.
2. TH 169 & Valley View Rd.
3. TH 169 & Washington Avenue
4. Viking Dr. & Golden Triangle Dr.
5. Prairie Center & Viking Dr.
6. Prairie Center & Valley View Rd.
7. New access – Washington Avenue Bridge across I-494 planned and funded – to be completed by 2008. Also includes extending Viking Drive east beneath TH 169 to Edina.



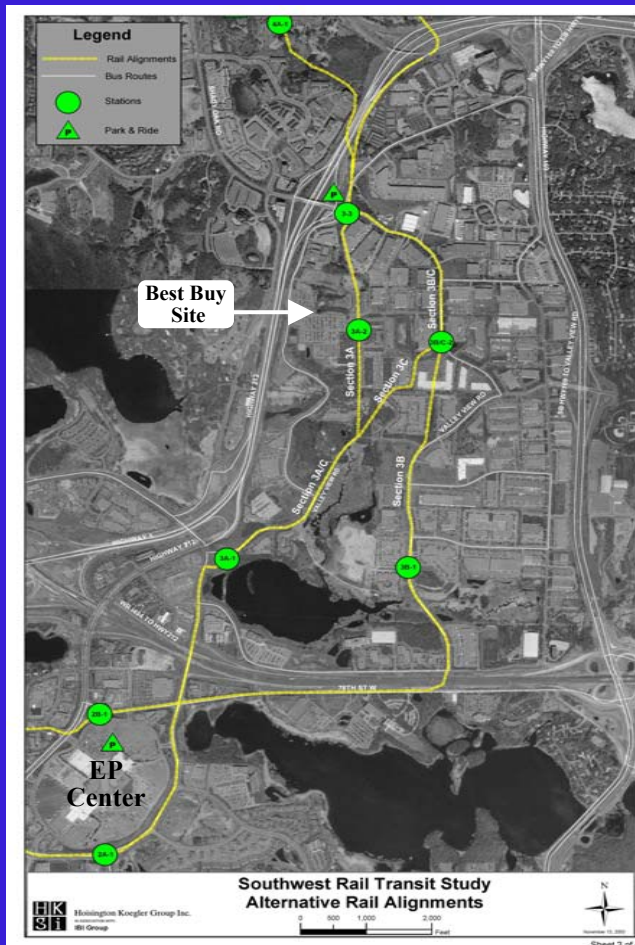
Current and Future Access Points



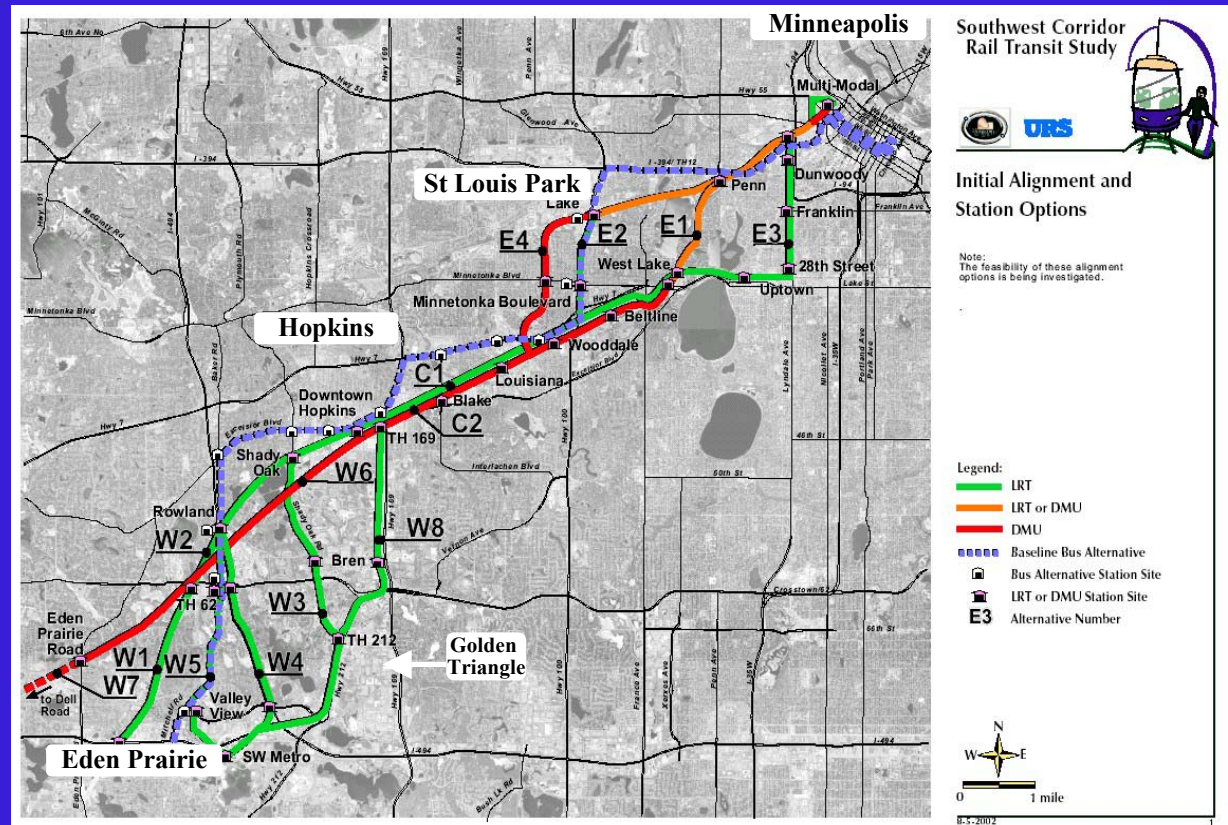
# Eden Prairie - Stadium Site Proposal

## Stadium Site – Transit Connections:

- Hennepin County Regional Rail Authority planning for Light Rail Transit (LRT) from Minneapolis to the Golden Triangle.
- Future park & ride lots provide an opportunity to combine stadium and future transit parking.
- Extension of LRT to southwest corridor part of Metro Council Transit 2025 Master Plan.
- Up to 3,000 parking spaces could be available in park & ride lots along the proposed LRT line between Minneapolis and Eden Prairie.



Possible LRT Alignments – Golden Triangle



Possible LRT Alignments – Minneapolis to Eden Prairie

# Eden Prairie - Stadium Site Proposal

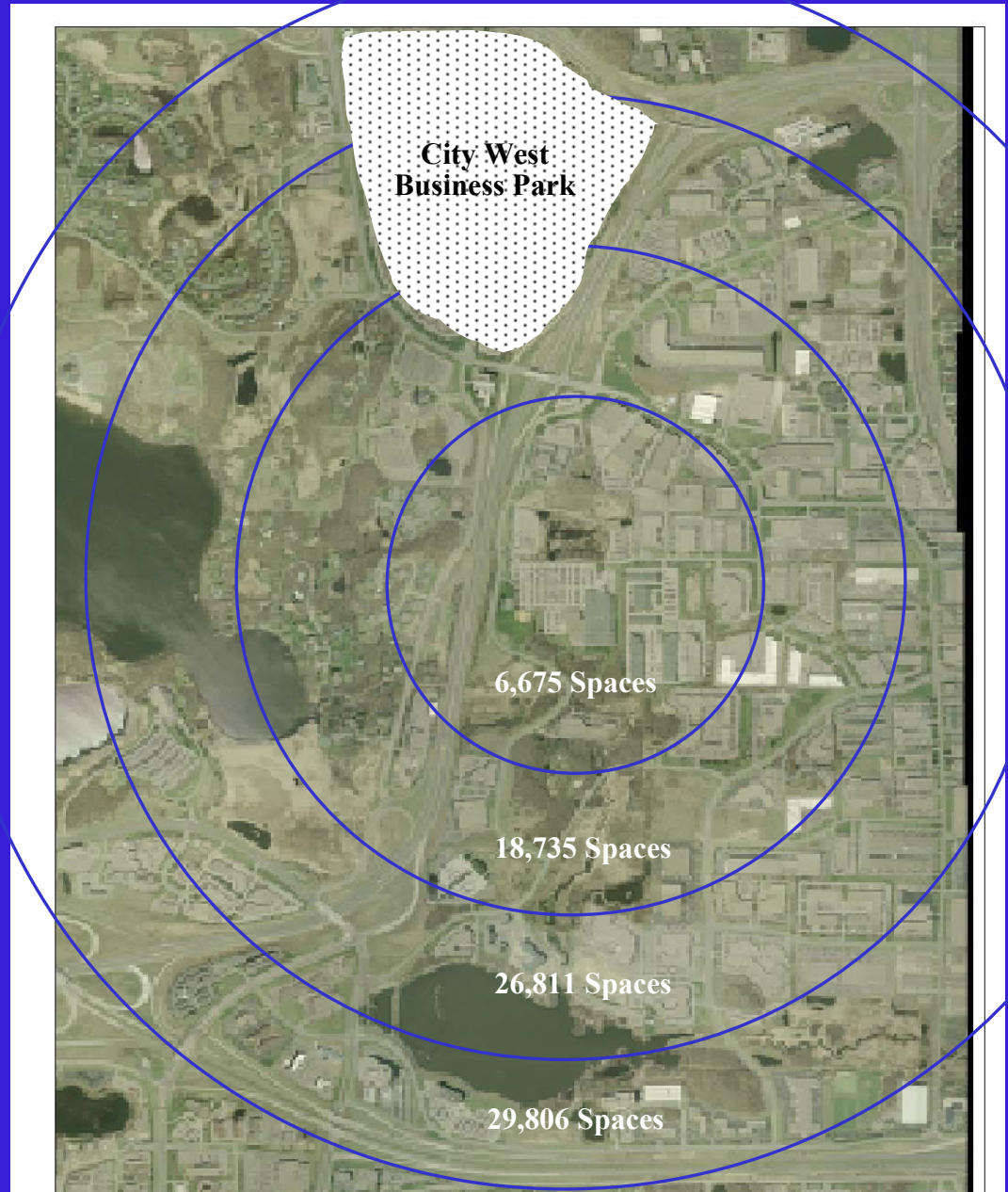
## Stadium Site – Parking/Infrastructure:

- The City estimates that the Golden Triangle has about 30,000 existing (privately owned) parking spaces that could be available for weekend and evening events.
- The Vikings estimate that they need about 23,000 spaces to accommodate a sell-out crowd of about 68,000. Twins would need even fewer spaces per event.
- Using the Best Buy site as ground zero – the existing parking space estimates within quarter mile increments from the site are as follows:

<u>Radius/Distance</u>	<u>Parking Spaces (cumulative)</u>
¼ Mile -	6,675
½ Mile -	18,735
¾ Mile -	26,811
1 Mile -	29,806

- The parking estimates were calculated by applying City parking requirements to each parcel based on the size and type of building occupying it. Example:

Parcel	01-116-22-23-0023
Building Size	93,406 Square Feet
Zoning	Industrial
Parking Requirement	3 spaces/1,000 square feet
Parking Estimate	280



# Eden Prairie - Stadium Site Proposal

## Stadium Site – Parking/Infrastructure:

- Parking estimates were made for office and industrial properties within the Golden Triangle and City West Business areas only. They do not include parking in residential areas.
- If parking is provided privately throughout the Golden Triangle, a shuttle services could be arranged through Southwest Metro Transit.
- Hennepin County estimates there could be up to 3,000 parking spaces available in park & ride lots along the proposed LRT line between Minneapolis and Eden Prairie. This line would be part of a larger system where additional parking opportunities would be available at other park & ride lots.
- If LRT is available, on game days attendees would have the option of parking at any one of the numerous park & ride facilities planned along the corridor and have express rides to and from events.
- The land area needed for parking depends on the number of spaces desired as part of the stadium development. About 135 spaces can be constructed per acre in a large parking lot configuration:

<u>Land Area</u>	<u>Surface Parking Spaces</u>
20 acres	2,700
50 acres	6,750
100 acres	13,500

- For the 47 acre Best Buy site – if 25 acres are consumed by the stadium footprint, then between 15 and 20 acres would be available for parking depending on wetland considerations. Structured parking could also be considered for some of the site.
- All development related infrastructure is available throughout the area including:
  - Streets
  - Water
  - Phone
  - Sewer
  - Fiber Optics
  - All other general utilities

# Eden Prairie - Stadium Site Proposal

## Stadium Site – Proximity to Services:

- Within five miles - over 3,500 hotel rooms:

### Eden Prairie Hotels:

Amerisuites	128
Courtyard Marriott	149
Extended Stay	120
Fairfield Inn	94
Hampton Inn	135
Hilton Garden	97
Homestead Village	97
Residence Inn	126
Springhill Suites	119
Super 8	61
<u>Townplace Suites</u>	<u>103</u>
Total	1,229

### Nearby (large-full services) Hotels:

Marriott Southwest	-	320
Radisson South	-	565
Marriott Airport	-	490
Embassy Suites	-	310
Holiday Inn Select	-	430
<u>Mall Grand</u>	-	<u>321</u>
Total		2,436

- Eden Prairie has over 80 restaurants including:

Applebee's	Beijing	Bear Rock	Champp's
Baker's Ribs	Biaggi's	Buca	Campiello's
Chipotle	D'Amico	Don Pablo's	Green Mill
Hops	Leann Chin's	Lion's Tap	Noodles & Co.
Outback	Panera Bread	Pickled Parrot	Punch Pizza
Redstone Grill	Ruby Tuesdays	Great Mandarin	Timber Lodge
Wildfire	Woody's		

... as well as many other fine restaurants.

- Site is close to other major attractions including:

Mall of America	Canterbury Downs
Valley Fair Amusement Park	Mystic Lake Casino
Renaissance Festival	Chanhassen Dinner Theater
Landscape Arboretum	Eden Prairie Center
Ridgedale Mall	Southdale Mall

# Eden Prairie - Stadium Site Proposal

## Statements on Stadium Financing:

- We believe the Vikings and Twins are a major asset to all Minnesotans and help enhance our quality of life. Therefore, we believe the public's share of any costs related to new stadium developments should be spread throughout the region and/or state.
- We believe the primary benefits to host cities are from name recognition and exposure – which are financial “intangibles.” Name recognition may help with future economic development efforts. Over time, stadiums may also stimulate positive development or redevelopment of the surrounding area, which is a key reason why the City of Eden Prairie is considering a stadium redevelopment in the Golden Triangle. The net increase in jobs created from a new stadium may be marginal in a redevelopment situation, considering that it would be restoring jobs that existed in the buildings replaced by the stadium.
- We also believe that neither stadium will get built without public financial participation. However, if public funds are used, a reasonable share of stadium generated revenues should be provided back to the public to help recover some of its investment. Also, if the team's value increases due to new stadiums – and the teams are sold after the stadiums are constructed, the public should expect to receive a share of the sale proceeds.
- A public financing option that the State of Minnesota might consider that could minimize the “per taxpayer” impact, and that is consistent with the idea that the public costs should be broadened to the furthest extent possible, is for a statewide or regional sales tax increase that is authorized through a public referendum. A ¼ cent sales tax increase in the 7-county area would have generated about \$75,000,000 in 2003 and a ½ cent about \$148,000,000.
- In addition, since there is no long-term funding commitment to address the growing transportation needs of the state and region, some of the tax revenues could also be applied to a new transportation fund. Once the stadiums are paid off, all future revenues could be committed to transportation. This approach could help broaden public support for a sales tax increase.
- Site costs will depend on the amount of land area needed, which could range from 15 to over 100 acres depending on the level of parking and ancillary development desired by the teams. The northern Triangle has over 50 privately owned properties with existing buildings and businesses on parcels ranging in size from 1 acre to 50 acres. Land costs will also depend on which parcels are acquired, since land values vary widely throughout the area, and whether or not there are willing sellers. In any case, a stadium would be a part of a redevelopment project which could also involve business relocation costs. This proposal has focused primarily on the Best Buy site because the site is currently for sale and has the necessary acreage to accommodate a stadium development.
- On the issue of governance and ownership, consideration should be given to having a reconstituted Metropolitan Sports Facilities Commission own the facilities since they have over 20 years of experience in owning and operating the Metrodome.

# Eden Prairie - Stadium Site Proposal

## Statements on Stadium Financing:

- It is difficult to determine the actual economic benefits stadiums provide to host cities. Because there are many variables to consider, conservative assumptions were used to evaluate the possible economic impacts related to a stadium development. Based on our analysis, neither stadium appears to generate enough taxable spending to warrant a major investment by a host city. This is especially true for a football stadium, where only 10 home games are played each year. The following is a summary of potential fiscal impacts based on a model developed by CSL International:

### Out of Stadium Assumptions:

	<u>Vikings</u>	<u>Twins</u>	
Events	10+	81	
Event Attendees	670,000	2,338,500	(daily visitor spending applied to all 670,000 attendees)
Other Event Attendees	520,000	0	(daily visitor spending applied to half of the 520,000 “other attendees”)
Total Event Attendees	1,190,000	2,338,500	
% Visitors Using Hotels	5%	5%	
Visitors/Hotel Room	2	2	
Length of Stay	1	1	

	----- Vikings Stadium -----				----- Twins -----			
	Daily Visitor Spending	Gross Spending	Spent in Eden Prairie	Percent Spent in EP	Daily Visitor Spending	Gross Spending	Spent in Eden Prairie	Percent Spent in EP
Hotel	\$75.00	\$1,744,000	\$ 261,600	15%	\$75.00	\$ 4,385,000	\$ 675,750	15%
Dining	\$10.00	\$9,300,000	\$1,395,000	15%	\$ 7.50	\$17,539,000	\$2,630,850	15%
Retail	\$ 1.50	\$1,395,000	\$ 279,000	20%	\$ 1.50	\$ 3,508,000	\$ 701,600	20%
Entertainment	\$ 7.50	\$6,975,000	\$1,046,250	15%	\$ 4.50	\$10,523,000	\$1,578,450	15%
Transportation	\$ 0.25	\$ 233,000	\$ 34,950	15%	\$ .25	\$ 585,000	\$ 87,750	15%
Other	\$ 1.75	\$1,628,000	\$ 244,200	15%	\$ 1.40	\$ 3,274,000	\$ 491,100	15%
Out of Stadium Spending		\$21,275,000	\$3,261,000			\$39,814,000	\$6,147,750	
Taxable Spending		\$12,439,000	<b>\$1,935,600</b>			\$25,432,000	<b>\$3,990,200</b>	

- The table shows taxable spending in Eden Prairie to be somewhat inconsequential when compared to stadium financing gaps that could be as high as \$300,000,000 or more. The projected out of stadium spending in Eden Prairie would enhance existing hotel, dining, and entertainment businesses.

# Eden Prairie - Stadium Site Proposal

## Financing – Property Tax Impacts

- If the stadiums are publicly owned (tax exempt), Eden Prairie would be providing a significant financial contribution in the form of lost property tax revenue. The range of property tax contributions from Eden Prairie will depend on the amount of land exempted for a stadium. The Twins indicated they will need a minimum of 16 acres and the Vikings 25 acres. A 50 acre site would allow for more stadium owned parking as well as for other ancillary uses. The following table therefore shows the possible tax impacts for 16, 25, and 50 acre sites.

Assumptions:                    3% inflation rate -- 5% discount rate -- no changes in property tax laws  
     Surveyed 6 parcels with 89 acres in likely stadium location  
     Average value/acre - \$438,028  
     Low value/acre - \$314,663  
     High value/acre - \$652,814

16 Acre Site								
Average Value			Low Value (Best Buy)			High Value		
	First Year	NPV 25 Years		First Year	NPV 25 Years		First Year	NPV 25 Years
Total	\$ 251,729	\$ 4,805,507	Total	\$ 180,833	\$ 3,452,102	Total	\$ 375,164	\$ 7,161,881
City	\$ 28,558	\$ 545,172	City	\$ 20,515	\$ 391,631	City	\$ 42,561	\$ 812,489
EP Schools	\$ 24,480	\$ 467,323	EP Schools	\$ 17,585	\$ 335,698	EP Schools	\$ 36,483	\$ 696,460
25 Acre Site								
Average Value			Low Value (Best Buy)			High Value		
	First Year	NPV 25 Years		First Year	NPV 25 Years		First Year	NPV 25 Years
Total	\$ 393,327	\$ 7,508,612	Total	\$ 282,552	\$ 5,393,918	Total	\$ 586,194	\$ 11,190,443
City	\$ 44,621	\$ 851,815	City	\$ 32,054	\$ 611,911	City	\$ 66,501	\$ 1,269,504
EP Schools	\$ 38,249	\$ 730,173	EP Schools	\$ 27,477	\$ 524,536	EP Schools	\$ 57,005	\$ 1,088,225
50 Acre Site								
Average Value			Low Value (Best Buy)			High Value		
	First Year	NPV 25 Years		First Year	NPV 25 Years		First Year	NPV 25 Years
Total	\$ 786,655	\$ 15,017,244	Total	\$ 565,104	\$ 10,787,835	Total	\$ 1,172,388	\$ 22,380,887
City	\$ 89,242	\$ 1,703,630	City	\$ 64,108	\$ 1,223,822	City	\$ 133,002	\$ 2,539,008
EP Schools	\$ 76,499	\$ 1,460,366	EP Schools	\$ 54,954	\$ 1,049,072	EP Schools	\$ 114,009	\$ 2,176,432

- Using the average land value assumption on 50 acres, the total tax loss over 25 years (life of the stadium) would be \$15,017,244.

# Eden Prairie - Stadium Site Proposal

## Summary

- The Eden Prairie Golden Triangle would be an ideal location for either a new Vikings or Twins stadium, or possibly for a combined stadium development:
  - ✓ It is close to the majority of Vikings and Twins season ticket holders homes.
  - ✓ Is within the I-494 / I-694 regional beltway and has great access to and from the metro area.
  - ✓ Has multi-modal transportation options available which may include a light rail line from Minneapolis.
  - ✓ Surrounded by four major highways including I-494, TH 212, TH 169, and Crosstown 62.
  - ✓ Great stadium visibility from all surrounding highways with several possible site locations.
  - ✓ Over \$516,000,000 in new highway infrastructure improvements planned for the surrounding highways - significantly improving mobility throughout Eden Prairie and the southwest region. These improvements should be completed by the time a new stadium is developed.
  - ✓ Between 25,000 – 30,000 cars (commuters) arrive and depart successfully from the Golden Triangle daily during peak travel periods.
  - ✓ Multiple access points in and out of the Triangle and more to be completed by 2008.
  - ✓ The Triangle is primarily a business park – so there is very little traffic and a lot of available parking at night and on weekends.
  - ✓ Up to 3,000 parking spaces could be available in park & ride lots along the proposed LRT line between Minneapolis and Eden Prairie.
  - ✓ There are an estimated 30,000 existing (privately owned) parking spaces within a mile of the site that could be available for weekend and evening events.
  - ✓ All development related infrastructure is available throughout the area.
  - ✓ Site is close to over 80 restaurants and 3,500 hotel rooms.
  - ✓ Close to the regions most popular attractions including the Mall of America, Valley Fair, Mystic Lake Casino, and Canterbury Downs.
- We believe the Vikings and Twins are a major asset to all of Minnesota and so the public's share of any costs related to new stadiums should be spread throughout the region and/or state if possible.
- A public financing option consistent with the belief that the public's share of stadium costs should be broadened to the furthest extent possible, is for a statewide or regional sales tax increase authorized through a public referendum. The tax revenues could also be applied to a transportation fund to help broaden public.
- Consideration should be given to having a reconstituted Metropolitan Sports Facilities Commission own the new facilities.
- If the new stadium developments are tax exempt, Eden Prairie would be providing a significant financial contribution in the form of lost property tax revenue.



# **STADIUM SCREENING COMMITTEE**

## **RECOMMENDED CRITERIA BILL LIST**

Following are criteria adopted by the Committee for inclusion in a 2004 stadium bill. These criteria set the parameters for a Metropolitan Stadium Authority (MSA) to negotiate and authorize construction to begin for the respective baseball and football facilities.

- 1) Create a Metropolitan Stadium Authority (MSA) to site and negotiate with franchise owners and host community(ies) within a set timeframe. The MSA should be reconstituted upon completion of stadium(s) construction.
- 2) Set a maximum total public investment toward project costs for the respective baseball and football facilities. The teams assume responsibility for any and all cost overruns.
- 3) Leases or use agreements between the teams and the MSA are negotiated. Teams will schedule all regular season and playoff home games at the facility for 30 years or the term of the longest-term bonds. Terms for default, termination or breach of the facility leases must also be in place.
- 4) A guarantee of payment of all the obligations due under the lease shall be in place in a form satisfactory to the MSA. The Guarantee could be in the form of a letter of credit, personal guarantees, or other surety.
- 5) Bond proceeds must be used to site, design, construct or furnish the facilities.
- 6) The MSA must have title to all land and air rights needed for construction and operation of the facilities.
- 7) The MSA must determine that all public and private funding sources for construction and operation of each stadium are officially committed in writing and enforceable. The committed funds must be adequate to site, design, construct, and service the facilities' debt as well as to pay for the ongoing operation and maintenance of the respective baseball and football facilities.
- 8) Agreement with labor unions not to strike or have a management lockout that would halt, delay or impede construction of the respective baseball and football facilities.
- 9) The MSA must have contracts certifying construction price and completion date, which should include performance and payment bonds that cover any costs over the certified price for the facility.

- 10) Environmental impact statement must be approved by all appropriate regulatory entities.
- 11) All necessary and appropriate public infrastructure is financed and constructed by completion of the respective baseball and football facilities.
- 12) The leases or use agreements shall provide for the public to share proportionally in the increased value of the franchise due to the existence of a new facility upon sale of the team(s).
- 13) The Commissioner of Finance has approved the financing and the leases or use agreements prior to the issuance of bonds.
- 14) The leases or use agreements should include a provision for a reasonable amount of use by amateur sports.
- 15) The leases or use agreements should include a provision that assures affordable access to the respective professional sporting events held in these facilities.
- 16) The MSA is encouraged to negotiate a provision in the leases or use agreements, which provide incentives for the respective teams to increase attendance at their sporting events.
- 17) Requires that all football game tickets not sold prior to the game be purchased by a sponsoring organization.