



DOWNTOWN EAST STADIUM

*A PROPOSAL TO GOVERNOR MARK DAYTON,
SENATOR JULIE ROSEN &
REPRESENTATIVE MORRIE LANNING*

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Submitted by
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MINNEAPOLIS STADIUM PROPOSAL

DOWNTOWN EAST

A Superior Location

The Downtown East site is the current location of the Hubert H. Humphrey Metrodome. Its 20 acres are bordered by 4th Street on the north, 6th Street on the south, Chicago Avenue on the west and 11th Avenue on the east. The Minnesota Vikings have played here since 1982, and the location is familiar to most Minnesotans.

- **Easy Access.** The Downtown East site is easily accessible from any location. The site builds on the state's and region's existing transportation and parking infrastructure. I-94, I-394, I-35W and Highway 55 all converge downtown. Parking is plentiful and dispersed throughout downtown, meaning minimal traffic tie-ups before and after games. The Downtown East LRT station serves the Hiawatha and Central Corridor lines. Many Vikings fans currently park and ride the Hiawatha Line as an alternative to parking downtown. The Northstar Line is less than a mile away. Because of its central location, biking and walking are great options to get to Downtown East.
- **Fan Friendly.** The fan experience in Downtown East is second to none and goes well beyond tailgating. A wide variety of restaurants, bars and entertainment venues are within walking distance of Downtown East. Fans seeking to make a weekend out of it have plenty of lodging options, with 7,000 hotel rooms downtown. In addition, the owners of the former Minneapolis Armory have plans for an exciting new Vikings fan center just two blocks from the Metrodome that is without parallel in any other NFL city. In short, all Vikings fans have a host of affordable options for parking, transportation, meals and fun that meets everyone's needs for a great experience.
- **Puts Minnesotans to Work Immediately.** The Downtown East site is "shovel ready"; there are no unknowns. This means that Minnesotans who work in the construction trades can get to work immediately in good, high-paying jobs. If the Governor and Legislature approve a bill in 2012, demolition of the Metrodome could begin immediately after the 2012-13 NFL season. There is no need for additional land assembly, costly and time-consuming environmental remediation or costly infrastructure work.
- **Shortest Construction Timeline.** The fact that the Downtown East site is shovel-ready and fully vetted, and that a substantial portion of its current footings and foundations can be reused, means the shortest construction timeline of any other site. This means that the Vikings could play in their new home as early as 2015. In the interim, the team would play in TCF Bank stadium. Minneapolis is ready to work with the Vikings, the University of Minnesota and State Legislature to address concerns that the Vikings have expressed about this interim solution. In addition to being the lowest-cost location, building on the Metrodome site avoids the expense of making the Metrodome site whole, should it no longer be needed as a sports facility.

Three-for-One Financing Plan

The Minneapolis financing plan for a new People's Stadium is a three-for-one plan that secures the future of three world-class, revenue-generating facilities of statewide significance for the next 30 years. The Minneapolis plan:

- Contributes substantially and immediately to the capital and operating needs of the new People's Stadium;
- Upgrades the Target Center to make it competitive with peer facilities nationwide;
- Ensures that the Minneapolis Convention Center, the state's premier generator of convention and tourism dollars, can meet its ongoing capital and operating needs.

The Minneapolis plan would allocate to the stadium project a portion of the funds collected from existing "Convention Center taxes," namely:

- The 0.5 % citywide general sales tax,
- The 3% downtown restaurant and liquor taxes, and
- The 2.65% lodging tax.

Through 2020, the vast majority of current and ensuing tax collections are pledged to debt service and operations in connection with the Minneapolis Convention Center. Therefore, in order to maximize the available revenues from the existing taxes, the City's funds' flow would be integrated with the State's resources for a new stadium, thereby allowing the City to fulfill existing and ongoing obligations while providing a substantial contribution to the new stadium.

Through the integration of City funds and State resources, the City proposes to allocate the equivalent of \$6.5 million, beginning in 2016 (the assumed first year of stadium operations), inflating at 3% *per annum*, for operating costs and capital maintenance support of the new stadium and a stream of revenues (over a 30-year period from 2016 to 2045) that would provide the Stadium Authority with funding that would support \$150 million of capital costs. However, it is important to note that the City's allocation of revenues from existing taxes can be shifted between stadium operations and debt service on stadium bonds in any combination in order to meet the needs of the overall project. The City believes that the State of Minnesota is the appropriate issuer of any bonds.

A potential source of alternative revenue would involve the City's share of gaming proceeds from a new Block E casino beyond that which would be allocated to other governmental uses.

Minneapolis stands ready to work with the State to finalize the details of an integrated finance plan for the stadium that also provides the people of Minnesota with the taxes and other benefits generated by a well-managed, competitive Convention Center and a thriving Target Center.

A Publicly-Owned People's Stadium

The Minneapolis proposal for Downtown East contemplates that the newly-created Minnesota Stadium Authority would own and operate the new stadium. The Vikings would be a tenant in the stadium, and would be pay rent equal to a portion stadium operating costs. The City of Minneapolis would also pay a portion of operating costs.

This ownership and operating structure will ensure that the stadium is a true People's Stadium for the next 30 years, where it can host 300+ events per year ranging from professional football to high school and college sports events, to inline skating, running and monster-truck events.

As noted above, Target Center ownership and management would also be transferred from the City of Minneapolis to the Stadium Authority.