

**Recap of East Downtown Council's  
Stadium Talk Business Forum  
Thursday, June 28, 2012 at Vikings Grid Iron Room**

- President Jim Norkosky welcomed the audience and explained the purpose and boundaries of the EDC.
- Then Membership Director Dan Collison implored the audience to, as in the 1996 Jerry Maguire movie when Tom Cruise said to Cuba Gooding Jr., "Help me help you!" That mutuality represented in the movie is the EDC, which helps to sell businesses within as well as those who intend to do business in the district. Membership is cheap based upon willingness to engage.
- In advance of the program, President Norkosky presented the EDC's views on what will take place over the next 3 years during the transformation of the existing stadium into a 21st century stadium woven into the fabric of the East Downtown district:
  - Envision this as a springboard into an Imperative Development frenzy in and around the new stadium as there are so many land opportunities ready for development, and will assist in this being a catalyst to further enhance this district as a vital sector of the city's urban core.
  - Participated in and encourage all parties to use the many studies created over the years (i.e., the Elliot Park Master Plan, the Centennial Commons Initiative, the Elliot Park Neighborhood Guidelines, the DEEP Initiative Design and the Downtown 2025 plan) that have specific and well defined design and urban planning tools showcasing what it takes to create a cohesive urban neighborhood this is pedestrian friendly, appealing, safe and economically vital to the area.
  - Expect the new stadium to be an integral part of and not stand alone isolated from the urban neighborhood as it does today. It will have to look beyond the game day experience and help unify and create a smaller scale experience 365 days a year for everyone living, working and visiting this area.
  - Want the Vikings to create a venue that will allow them to play games and be successful both economically and by the product they provide on the field. They have to create a game day experience in which the fans want to return. Fan parking and fan movement is vital to this experience. However, fan parking and fan movement should not break up the everyday movement within the district between businesses, neighborhoods and public features.
  - See the Stadium Implementation Committee take actions that will assist the district in breaking down the existing hurdles that have stymied growth in the district for so long. City regulatory and zoning, tax structure, district image and current land owner education all need attention. As these hurdles are addressed and action taken to make changes, then we can begin that our large public investment has created a 21<sup>st</sup> century stadium interwoven with the community.

Norkosky concluded that the East Downtown Council has defined its shared goals for district development and is willing to be a partner and advocate in fostering economic development. We are also prepared to be a participant with the Stadium Implementation Committee Initiative.

- Jeff Anderson, Director of Corporate Communications for the Minnesota Vikings, thanked the EDC and those who contacted their elected leaders, both locally and at the capitol throughout the process. There was clearly a moment when the momentum shifted in their favor that he believes was largely due to the business community, organized labor and Vikings fan. This is an exciting time for the team, the state and particularly for this side of downtown. They want to be good neighbors, want to build a facility they're all proud of and want to hear from groups such the EDC throughout the process and today is a great step in that direction.

Jeff then thanked and introduced the panelist: the newly appointed executive director of the Minnesota Sports Facilities Authority, Ted Mondale; Minneapolis Mayor R.T. Rybak; City Council President Barbara Johnson; and Vikings Vice President of Public Affairs and Stadium Development Lester Bagley.

- Ted Mondale reiterated the amount of advocacy involved in the process and thanked those who became engaged. This will probably be the largest public-private partnership ever undertaken in Minnesota. The MSFA was appointed last week and thanks to Target for the logo.

The goal of those involved, MSFA, the collaborative process with the Vikings, the City's Implementation Committee, is not to replicate the history of the Metrodome where purposely they had a scaled down facility with one liquor

license. Their goal is to create a world-class stadium, a world-class part of town, have strong public access, and be able to accommodate other big events such as the Super Bowl in 2017 and the NCAA Final Four.

There are no new taxes going into this proposal. There's a new form of charitable gaming and existing Convention Center taxes once the bonds are paid off that will flow into the project. The Vikings will have the facility for their games and other events, maybe Pro Soccer. But as the owner-operator, the MSFA is thinking about what to do the other 340 days; how to accommodate U of MN sports, neighborhood activities and civic events so that it will truly be the Peoples Stadium.

Over the 30-year period of the facility, the Vikings will be putting in 54% of the money for capital, construction, and operating and capital reserves. Mortenson estimated there would be 7,500 direct construction jobs and overall jobs of 13,000. It is a \$975 million project, the team is putting in \$477 million (investment to build), the State is putting in \$348 million, and the City is putting in \$150 million. In today's dollars, operating costs will be about \$20.5 million a year to run this 1.5 million square foot facility; the team will put in \$13 million and the City will put in \$7.5 million. Total lifecycle cost for the Vikings will be \$804 million over 30 years, and for the public \$686 million.

Original builders should be congratulated because they kept it on budget and kept the price down, but it was not the type of building you could upgrade to a modern facility. MSFA will continue to operate it for at least 2 years and will have a celebration when it's blown up. They have an RFP out for the building owner's representative, RFP for the Environmental Impact Statement, and they'll have to get an architect, a design team and hope to break ground next summer or early fall.

- Mayor Rybak thanked those who stuck their necks out to get this deal done, and commented that a debt is owed to the Vikings who got beat up a lot – Lester spent a lot of years at this and Jeff was an amazing resource in turning it around.

The MSFA is in charge of how this stadium is built and what happens inside and the City has a couple of reps on the 5-member team. The exterior and what happens beyond that is the role of the City's Implementation Committee who will lead the discussions on how this is interwoven with the rest of the community. No decision has been made about how this will work but it will be a very inclusive process.

We've got a big playpen: looking towards downtown there's the LRT stop that connects with St. Paul, the University, downtown, and the airport and it has underground parking on site; the Elliot Park neighborhood that has been walled off from the city; HCMC and its future evolution; the Amory district; an over abundance of surface parking lots; and all the recent riverfront development. Looking behind the stadium there's the LRT on the West Bank being completely remade to be more accessible to downtown, and Valspar's need to expand on 11th Avenue. We need to think outside the box about how all of these areas can be connected with and to a multi-purpose, active grand park.

- Barbara Johnson expressed appreciation for the broad effort undertaken across the community to get this done. She and the Mayor all along and through thick and thin thought this was the best place for the Stadium. There was significant support at the legislature early on for this site because people knew how to get here, their children played games here and everyone had experiences being here. There was confidence that traffic could move and long time fans knew where to park. It's a great place in the City and it's a huge opportunity to look at this differently and make sure it is built on our strengths and the plans that have been made for the neighborhoods and the broader downtown. She is excited about working on this and they're trying to make sure they have wide representation of City Council members on the implementation teams. Be patient as they put the teams together, and they'll take the advice and help of the existing organizations that are interested.
- Lester Bagley stated that RT, Ted and Barbara were three of the people who worked the hardest and delivered on this project and was struck by the spirit of collaboration. The Vikings are dedicated and committed to being a good partner; the facility has to work for the community, the East Downtown Council, the City, the State, the Vikings and its fans. One of the most impressive and difficult hurdles to clear was the work the Mayor and Council President did in getting 7 votes because there was lot of skepticism from both sides of the river and all around the State.

Next steps include being patient while Ted assembles and focuses his team. As this is a complicated situation it will

involve many different agreements that will need to be negotiated (e.g., operating, development, leasing) so they are focusing on their legal and finance teams. They have also been in the process of identifying, recruiting and hiring an owner's representative, a firm that has experience in stadium development and construction so that the agreement negotiated between the City and State, and the way the term sheet and the organization chart lays out, is that the MSFA and the Vikings will each have an owner's rep and together they will collaborate and sort out how to be inclusive.

They are also working on programming elements that are revenue generating and will work for them as well as the community. They will strive to make sure all public events (i.e., high school and amateur sports) have access to the facility as well as to get back in the hunt for the Super Bowl, the NCAA Final Four, the Big Ten Football event.

Additionally, the impact of having more than a million people come to the area (traffic and pedestrian flow), good and bad, have been taken into consideration and will be significant. The entertainment tax, which goes to the City, could be as much as \$1 to 2 million per year. Right now, 40% of their ticket owners live outside of the 7 County area. They have 52,000 season ticket owners, 27% of which live outside of Minnesota and faithfully come to tailgate, go to bars and restaurants, parking lots, shops, Mall of America and Nicollet Avenue so they are happy about that but need to balance it with neighborhood and community concerns.

Lester expressed thanks for the opportunity to be partners with the EDC and believes they have been good partners with the City, David Fields and the EPNI, People Serving People, and are committing to continuing these relationships.

Lastly, he acknowledged Steve Mackey who did a good job in getting the dome back up, Bill Lester who has done a great job over the years in managing the facility, and Governor Dayton who did an outstanding job of leadership.

- Thereafter the panelist entertained questions from the audience.