

**Recap of East Downtown Council's Business Forum
Thursday, February 21, 2013
Stadium Update and Meet Minneapolis Presentation**

This business forum convened at Meet Minneapolis, Convention + Visitors Association's corporate headquarters in the Marquette Plaza building located at 250 Marquette Avenue South in the Downtown West neighborhood of Minneapolis.

- Due to time constraints from the speakers, EDC Board member Tom Hayes called the meeting to order on behalf of EDC President Jim Norkosky at 11:50 a.m. He started the meeting by having the attendees introduce themselves. Next Hayes introduced Michael Rainville, the Partnership Marketing Manager with Meet Minneapolis. He also welcomed the EDC members and guests, and then introduced Meet Minneapolis's President and CEO Michael Tennant.
- Michele Kelm-Helgen, Chair, Minnesota Sports Facilities Authority (MSFA), gave an audiovisual presentation on the new multi-purpose Peoples Stadium project. After 10 years of hard negotiations, in May 2012 the legislature approved a new stadium for Minneapolis. It took a lot of leadership on both the governor's part and the bi-partisan approach of legislators, as well as Mayor Rybak and seven bold council members. The city and state are putting in about half the money at \$498 million, and the Vikings are putting in \$477 million. The MSFA, the new organization created to build, own and operate the new Peoples Stadium, has five members: three appointed by the governor (Kelm-Helgen, John Griffith, Duane Benson) and two by the city (Bill McCarthy and Barbara Butts-Williams). For more information about the MSFA management visit http://www.msfa.com/detail.cfm/page/msfaSite_DWCSLBTH_DGVLLAUB/.

The new stadium will sit on the current 33-acre site, but will have a large plaza as a front door with green spaces surrounding it so adjoining neighborhoods will be connected by bike trails, sidewalks and walking paths to make it more connected to the community. And now with certainty that this project is going ahead (within 4-6 weeks they'll have a schematic design to show the public) there's been a rejuvenation and interest in development around the stadium.

The building itself will be at least 1.5 million sq. ft. (versus the current stadium's 975,000 sq. ft.) and will have 65,000 seats (the same seating capacity that exists now) with more public and meeting spaces, an NFL Hall of Fame, a year round restaurant, upgraded amenities with green technology and sustainability factors that will enhance the experience of the games and other events. They are going to do the potential expansion because there's the hope of a Super Bowl in the coming years and they are making sure it is built to accommodate such an event. The only question is whether they can afford a retractable roof feature that has been a priority for the team and the MSFA. The way the legislation was drafted says that should there be savings within the budget, the first priority would go to some retractable feature or roof.

The Vikings' 10 home games provide 95% of the MSFA's revenue and enable them to host other statewide and special events (e.g., the Hmong New Year, high school band championships) for those remaining days of the year. It also enables them to potentially host other big events on a regular basis (e.g., NBA Final Four, NCAA championship, the Olympics) as significant revenue generators for local businesses, city and state. And one thing they heard loud and clear from the listening sessions, during the winter they must have at least one concourse that provides a continuous loop in order to continue the Rollerdome.

Kelm-Helgen also explained the MSFA's rationale for the selection of HKS as the architect and Mortenson Construction as the builder; each brings a special expertise and quality of work to get this type of project done.

Legislation required MSFA to put together an equity plan and adopt Minneapolis' goals for the workforce

and targeted businesses. For the workforce, 32% have to come from minority communities and 6% have to come from females. For targeted businesses, 11% of the work must go to women-owned businesses, 9% must go to minority-owned businesses and all 20% must be Minnesota-owned businesses. In order to achieve these challenging workforce goals, they will be putting out an RFP within the next 2 weeks to hire an employment assistance firm to help with the recruitment and outreach into all the communities where these workers reside. And, most importantly, help with very specific and targeted job training programs in order to develop workers with the appropriate skill base. There will also be a stadium equity oversight committee, a broad-based community committee who will receive periodic updates from the subcontractors, Mortenson and Thor on their projections and plans.

In March the 100% schematic design will be released and they will conduct community meetings around the state to allay fears and worries. Sometime in October is the target for groundbreaking and, having listened to the architect and construction company, this fall will be the Vikings last season to play at the Metrodome. In July 2016 is when the new stadium opens.

In order to stay on schedule and on budget, they need to make decisions in a very collaborative way so they have set up a very specific deliberative process that brings the MSFA together with the team 2 days a week as the Stadium Design Committee and this process seems to be working.

- Michael Tennant gave an audiovisual presentation of Meet's recently adopted strategic plan. They realized with all the great things happening (e.g., the new stadium, the Target Center renovation, a potential new hotel) it would require some intentionality on their part and a plan to take advantage of these opportunities. There are seven components to their strategic plan and available under the Partners & Community tab of their website):
 - Increase the number of metro-wide area visitors by 10 million; currently it is at 27 million.
 - Increase organizational funding through public and private resources to market globally in competition with cities like Denver, Indianapolis, Chicago, Houston, San Antonio; current budget is \$10 million.
 - Maximize level of marketing coordination amongst all the convention and visitor bureaus in the metro area by doubling the amount of dollars (i.e., \$500,000 by 2017) used to collaborate under one single purpose. Meet is one of numerous (e.g., St. Paul, Blooming, St. Louis Park, Roseville, Shakopee) destination-marketing organizations in the area.
 - Transform the Minneapolis visitor experience to keep it new and exciting. Bill Deef, VP of International Relations, is implementing an experiences program to look at unique ways in which existing attractions can be repackaged in new ways.
 - Resolve the hotel and Minneapolis Convention Center occupancy need periods. A task force has been formed to make sure there are strategies in place to combat periods of low occupancy.
 - Maintain relevancy amongst all key stakeholder audiences and provide the highest level of service and benefits to them; answer who would miss them if they were gone.
 - Keep team members happy so that they will do a great job for their constituency.

Tennant explained that Meet is a marketing organization and has a contract with the city. They have very stringent goals and objectives. Their four key performance indicators for 2013 are:

- Room night production: they are responsible for generating 475,000 future hotel room nights through convention bookings.
- Minneapolis Convention Center: they are responsible for revenue; that is unique for a convention and visitors bureau.
- Private sector revenue: goal is to exceed \$1.3 million to do various sales and marketing activities.

➤ Leisure: they are responsible for generating \$60,000 in non-convention-related room nights.

Meet has a staff of 55, most are at their headquarters, 4 salespeople are at the Minneapolis Convention Center, and 2 are headquartered in Washington, D.C. Funding comes from two sources: 20% from the city, and 80% from private resources.

Meet believes the hospitality industry is hot. This is the first time in history that worldwide more than a billion travel due to the burgeoning middle class in India and China. According to Kevin Hanstad, Director of Market Research, in 2011, 90 million foreign visitors came to the United States. Last year, the one city of Las Vegas welcomed 40 million visitors versus the collective metro-wide area visitors of 27 million. In 2012, U.S. domestic travel visitor spending was up 4% and they're expecting a 3% in 2013. Within the meetings industry, in 2012 there was a 4% increase in trade show attendance and RFPs for groups looking for meeting sites are up.

Responding to questions, Tennant explained that he and several board members and staff were involved in the creation of the 2025 Plan several years ago and Bob Lux of Alatus who sits on Meet's board, heads the Downtown 2025 Implementation Committee and they see their greatest opportunity to influence is on the downtown experience aspect of the plan.

As an example of the great assets within the EDC footprint and the linkages Meet has with them, they have had a long and mutually beneficial partnership with the Guthrie and Trish Santini, the External Relations Director, has been on Meet's board for a number of years. The Guthrie is frequently part of their sales pitch for the city and they take customers to their performances. They also have an ongoing relationship with the Mill City Museum and could engage more directly with the EDC to create more linkages.

Rainville then asked to engage with the EDC's executive committee to discuss membership and suggested attending their annual meetings to understand how they sell Minneapolis.

- President Jim Norkosky introduced himself and apologized for not being in attendance at the beginning of the event then thanked Tennant and Rainville for hosting EDC's business forum.

Jim then asked how Meet attracts individuals to come downtown if they don't already have a vested interest. Tennant advised that there are two distinct strategies used to go after conventions versus individual visitors. On the conventions side it is more of a direct sales relationship; they usually have a planner who makes decisions for a large group of people and take some of the following factors into consideration: logistics, transportation, hotel accommodations, size of the convention center and for the destination to be appealing. On the leisure side, Meet has narrowed down its focus to within a 400-mile radius around Minneapolis where the vast majority of the visitors come from. They attract visitors through advertising, promotions (e.g., with Select Heartland Chevy Dealers to give away a Volt at the auto show), and public relations (e.g., James Beard award winners in town).

Jim also asked whether there was a way, during the stadium construction period, to attract visitors down and view its progress. Tennant advised that he has not spoken to Michelle [Kelm-Helgen] and Ted [Mondale] about that specifically but he has seen on other projects where there is a time-lapsed camera or place to view but he thinks it's a great idea. Jeff Anderson, Director of Corporate Communications for the Vikings, advised that they plan to have a sales center onsite where you can view what the stadium will look and as construction begins they'll start having tours, time-lapsed video, all of which is being planned now.

Lastly, Jim announced that the next business forum would be held on Thursday, March 21, 2013, 11:30

a.m. at the Aloft Hotel. The topic will be the Washington Avenue (County Road 152) Design project.