

SENATE  
STATE OF MINNESOTA  
EIGHTY-SEVENTH LEGISLATURE

S.F. No. 2618

(SENATE AUTHORS: GOODWIN)

DATE	D-PG	OFFICIAL STATUS
04/27/2012	6611	Introduction and first reading Referred to Local Government and Elections

1.1A bill for an act

1.2relating to stadiums; establishing the Metropolitan Sports Authority to provide

1.3planning and financing for a new stadium for the Minnesota Vikings; requiring a

1.4report; proposing coding for new law as Minnesota Statutes, chapter 473K.

1.5BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6Section 1. **[473K.01] PURPOSE.**

1.7The legislature finds that Minnesotans desire to maintain professional sports as

1.8statewide amenities. To enhance that experience, the state will seek to establish a viable

1.9funding partnership that will build and sustain a new professional football and soccer

1.10stadium.

1.11Sec. 2. **[473K.02] AUTHORITY.**

1.12The Metropolitan Sports Authority is authorized to enter into financial negotiations

1.13and planning that would result in a sustainable stadium finance package for capital and

1.14operating costs. The final package of funding shall be reported to the 2013 Legislature for

1.15final approval. Any state public financing recommendations related to capital costs must

1.16demonstrate the feasibility and costs of alternative finance mechanisms. The report shall

1.17also contain a feasibility study and recommendations as to how fans may help finance the

1.18capital costs through the purchase of public bonds. Public input into these plans and

1.19recommendations shall be sought from Minnesota residents.

1.20The funding package shall consist of a partnership of support from the team,

1.21businesses, fans and other users, and public support. It shall be expected that over half of

1.22the capital costs and 80 percent of the operating costs shall be funded by the professional

2.1 football team. Funding for ongoing maintenance, upkeep, and capital improvements shall  
2.2 be planned for. All tenants shall be responsible for build out of their exclusive use space.

2.3 Sec. 3. **[473K.03] LOCATION.**

2.4 To minimize land acquisition and public infrastructure costs, the stadium site shall  
2.5 be the existing Metrodome site in the city of Minneapolis. To minimize the costs to all  
2.6 partners, the design shall emphasize a minimal footprint with one plaza, utilize the existing  
2.7 transit, parking, and hotel accommodations of the downtown area, and be designed to  
2.8 minimize ongoing operating costs.

2.9 Sec. 4. **[473K.04] TEAM CONTRIBUTIONS.**

2.10 Team-based contributions shall consider but not be limited to:

2.11 (1) initial football franchise contribution;

2.12 (2) rental agreement (football game days only, plus one special "team-branded"  
2.13 event);

2.14 (3) soccer, which must pay its operating costs, and revenue generated beyond that  
2.15 goes to capital reserve; and

2.16 (4) unsold seat tax.

2.17 Sec. 5. **[473K.05] BUSINESS CONTRIBUTIONS.**

2.18 Business commitments shall be sought for initial and ongoing support. Those to be  
2.19 considered shall include, but not be limited to:

2.20 (1) naming rights (stadium, field, concourses, entry plaza);

2.21 (2) internal and external advertising on site; and

2.22 (3) boxes and suites, which are committed to in advance of architectural design.

2.23 Sec. 6. **[473K.06] FAN AND USER CONTRIBUTIONS.**

2.24 Fan and user-based contributions shall consist of a variety of funding streams. Those  
2.25 to be considered shall include:

2.26 (1) seat licenses for pro sports events;

2.27 (2) luxury surcharge on boxes and suites;

2.28 (3) stadium concessions, share of revenues;

2.29 (4) memorabilia surcharge;

2.30 (5) rentals for nonprofessional sports use;

2.31 (6) ticket/user tax of ... percent of face value;

2.32 (7) entertainment tax for public safety costs;

- 3.1           (8) other rentals;
- 3.2           (9) public raffle for pairs of seats to a game;
- 3.3           (10) bricks/tiles/handprint; and
- 3.4           (11) fan-based purchase of bonds.

3.5           Sec. 7. **[473K.07] HOST CITY CONTRIBUTIONS.**

3.6           The host city shall be expected to contribute foregone development potential,  
3.7 public safety support funded by the entertainment tax, and absorb property tax losses  
3.8 based on nonbusiness use components. The host city may be expected to assist with site  
3.9 planning, land acquisition, and public infrastructure with those costs repaid through the  
3.10 stadium finance package.

3.11          Sec. 8. **[473K.08] STATE CONTRIBUTIONS.**

3.12          The state shall contribute sales tax forgiveness on building materials and potential  
3.13 use of its credit for financing. If a backup revenue is needed to secure bond financing,  
3.14 a variety of statewide revenue streams shall be analyzed.

3.15          Sec. 9. **[473K.09] REPORT.**

3.16          (a) The Metropolitan Sports Facilities Commission shall report to the Minnesota  
3.17 legislature by January 15, 2013.

3.18          (b) To ensure that the fan-based revenues are supportable and the public involvement  
3.19 justified, the report shall include recommendations for how to assure all seats are sold out  
3.20 and all fans have access to free viewing of the games. This shall include consideration of  
3.21 an unsold seat tax to be paid by the team owners and distribution of those unsold tickets to  
3.22 Minnesotans via a public raffle process.

3.23          (c) The report must address profit sharing with the team owners if the team is sold  
3.24 during the term of the lease. Any new team owners must be able to demonstrate capacity  
3.25 to honor the teams financial obligations to the stadium.

3.26          Sec. 10. **FUNDING; APPROPRIATION.**

3.27          To fund the responsibilities in sections 1 to 9, the Metropolitan Sports Authority is  
3.28 to enter into a rental agreement with the Minnesota Vikings for the 2012-13 season with  
3.29 the rent above operating costs dedicated to these planning efforts. It is also authorized  
3.30 to accept businesses and individual donations for these purposes but receipt of private  
3.31 funds shall not be tied to any special consideration or input.