

**CHAPTER 257—H.F.No. 2480**

*An act relating to sports; providing for the financing, construction, operation, and maintenance of a ballpark for Major League Baseball and related facilities; establishing the Minnesota Ballpark Authority; providing powers and duties of the authority; providing a community ownership option; authorizing Hennepin County to issue bonds and to contribute to ballpark costs and to engage in ballpark and related activities; authorizing local sales and use taxes and revenues; exempting Minnesota State High School League events from sales taxes; requiring the Minnesota State High School League to transfer tax savings to a foundation to promote extracurricular activities; authorizing expenditures of tax revenues for youth activities and youth and amateur sports and the extension of library hours; requiring a report on development and financing of a stadium for the Minnesota Vikings; authorizing a contingent local sales and use tax in Anoka County; providing for the transfer of certain funds; amending Minnesota Statutes 2004, sections 297A.70, subdivision 11; 297A.71, by adding a subdivision; 473.5995, subdivision 2; Minnesota Statutes 2005 Supplement, section 10A.01, subdivision 35; proposing coding for new law in Minnesota Statutes, chapter 473; repealing Minnesota Statutes 2004, sections 272.02, subdivision 50; 297A.71, subdivision 31; 473I.01; 473I.02; 473I.03; 473I.04; 473I.05; 473I.06; 473I.07; 473I.08; 473I.09; 473I.10; 473I.11; 473I.12; 473I.13.*

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

Section 1. Minnesota Statutes 2005 Supplement, section 10A.01, subdivision 35, is amended to read:

Subd. 35. **Public official.** "Public official" means any:

- (1) member of the legislature;
- (2) individual employed by the legislature as secretary of the senate, legislative auditor, chief clerk of the house, revisor of statutes, or researcher, legislative analyst, or attorney in the Office of Senate Counsel and Research or House Research;
- (3) constitutional officer in the executive branch and the officer's chief administrative deputy;
- (4) solicitor general or deputy, assistant, or special assistant attorney general;
- (5) commissioner, deputy commissioner, or assistant commissioner of any state department or agency as listed in section 15.01 or 15.06, or the state chief information officer;
- (6) member, chief administrative officer, or deputy chief administrative officer of a state board or commission that has either the power to adopt, amend, or repeal rules under chapter 14, or the power to adjudicate contested cases or appeals under chapter 14;
- (7) individual employed in the executive branch who is authorized to adopt, amend, or repeal rules under chapter 14 or adjudicate contested cases under chapter 14;
- (8) executive director of the State Board of Investment;
- (9) deputy of any official listed in clauses (7) and (8);
- (10) judge of the Workers' Compensation Court of Appeals;

- (11) administrative law judge or compensation judge in the State Office of Administrative Hearings or referee in the Department of Employment and Economic Development;
- (12) member, regional administrator, division director, general counsel, or operations manager of the Metropolitan Council;
- (13) member or chief administrator of a metropolitan agency;
- (14) director of the Division of Alcohol and Gambling Enforcement in the Department of Public Safety;
- (15) member or executive director of the Higher Education Facilities Authority;
- (16) member of the board of directors or president of Minnesota Technology, Inc.; or
- (17) member of the board of directors or executive director of the Minnesota State High School League; or
- (18) member of the Minnesota Ballpark Authority established in section 473.755.

Sec. 2. Minnesota Statutes 2004, section 297A.70, subdivision 11, is amended to read:

Subd. 11. **School tickets or admissions.** Tickets or admissions to regular season school games, events, and activities, and to games, events, and activities sponsored by the Minnesota State High School League under chapter 128C, are exempt. For purposes of this subdivision, "school" has the meaning given it in section 120A.22, subdivision 4.

**EFFECTIVE DATE.** This section is effective for sales after June 30, 2006, and before July 1, 2011.

Sec. 3. Minnesota Statutes 2004, section 297A.71, is amended by adding a subdivision to read:

Subd. 38. **Building materials; exemption.** Materials and supplies used or consumed in, and equipment incorporated into, the construction or improvement of the ballpark and public infrastructure constructed pursuant to sections 473.75 to 473.763 are exempt. This subdivision expires one year after the date that the first major league baseball game is played in the ballpark for materials, supplies, and equipment used in the ballpark, and five years after the issuance of the first bonds under section 473.757 for materials, supplies, and equipment used in the public infrastructure.

Sec. 4. Minnesota Statutes 2004, section 473.5995, subdivision 2, is amended to read:

Subd. 2. **Transfer; sale of the Metrodome.** Upon sale of the Metrodome, the Metropolitan Sports Facilities Commission must transfer the net sales proceeds as follows:

(1) \$5,000,000 to Hennepin County to offset expenditures for grants for capital improvement reserves for a ballpark under section 473.757; and

(2) the remainder to the football stadium account to be used to pay debt service on bonds issued to pay for the construction of a football stadium for the Minnesota Vikings.

Sec. 5. **[473.75] PURPOSE.**

The purpose of sections 473.75 to 473.763 is to provide for the construction, financing, and long-term use of a ballpark primarily as a venue for Major League Baseball. It is found and declared that the expenditure of public money for this purpose is necessary and serves a public purpose, and that property acquired by the county for the construction of the ballpark and related public infrastructure is acquired for a public use or public purpose under chapter 117. It is further found and declared that any provision in a lease or use agreement with a major league team, that requires the team to play its home games in a publicly

funded ballpark for the duration of the lease or use agreement, serves a unique public purpose for which the remedies of specific performance and injunctive relief are essential to its enforcement. It is further found and declared that government assistance to facilitate the presence of Major League Baseball provides to the state of Minnesota and its citizens highly valued intangible benefits that are virtually impossible to quantify and, therefore, not recoverable even if the government receives monetary damages in the event of a team's breach of contract. Minnesota courts are, therefore, charged with protecting those benefits through the use of specific performance and injunctive relief as provided herein and in the lease and use agreements.

Sec. 6. **[473.751] DEFINITIONS.**

Subdivision 1. **Terms.** As used in sections 473.75 to 473.763, the terms defined in this section have the meanings given them in this section, except as otherwise expressly provided or indicated by the context.

Subd. 2. **Authority.** "Authority" means the Minnesota Ballpark Authority established under section 473.755.

Subd. 3. **Ballpark.** "Ballpark" means the stadium suitable for major league baseball to be constructed and financed under this act.

Subd. 4. **Ballpark costs.** "Ballpark costs" means the cost of designing, constructing, and equipping a ballpark suitable for Major League Baseball. Ballpark costs excludes the cost of land acquisition, site improvements, utilities, site demolition, environmental remediation, railroad crash wall, site furnishings, landscaping, railroad right-of-way development, district energy, site graphics and artwork and other site improvements identified by the authority, public infrastructure, capital improvement reserves, bond reserves, capitalized interest, and financing costs.

Subd. 5. **County.** "County" means Hennepin County.

Subd. 6. **Development area.** "Development area" means the area in the city of Minneapolis bounded by marked Interstate Highway 394, vacated Holden Street, the Burlington Northern right-of-way, Seventh Street North, Sixth Avenue North, Fifth Street North, the Burlington Northern right-of-way, and the Interstate Highway 94 exit ramp.

Subd 7. **Public infrastructure.** "Public infrastructure" means all property, facilities, and improvements determined by the authority or the county to facilitate the development and use of the ballpark, including but not limited to property and improvements for drainage, environmental remediation, parking, roadways, walkways, skyways, pedestrian bridges, bicycle paths, and transit improvements to facilitate public access to the ballpark, lighting, landscaping, utilities, streets, and streetscapes.

Subd. 8. **Streetscape.** "Streetscape" means improvements to streets and sidewalks or other public right-of-way for the purpose of enhancing the movement, safety, convenience, or enjoyment of ballpark patrons and other pedestrians, including decorative lighting and surfaces, plantings, display and exhibit space, adornments, seating, and transit and bus shelters, which are designated as streetscape by the county.

Subd. 9. **Team.** "Team" means the owner and operator of the baseball team currently known as the Minnesota Twins or any team owned and operated by someone who purchases or otherwise takes ownership or control of or reconstitutes the baseball team currently known as the Minnesota Twins.

Sec. 7. **[473.752] LOCATION.**

The ballpark must be located in the city of Minneapolis at a site within the development area.

Sec. 8. **[473.753] PROPERTY TAX EXEMPTION; SPECIAL ASSESSMENTS.**

Any real or personal property acquired, owned, leased, controlled, used, or occupied by the authority or county for any of the purposes of this act is declared to be acquired, owned, leased, controlled, used, and

occupied for public, governmental, and municipal purposes, and is exempt from ad valorem taxation by the state or any political subdivision of the state; provided that the properties are subject to special assessments levied by a political subdivision for a local improvement in amounts proportionate to and not exceeding the special benefit received by the properties from the improvement. No possible use of any of the properties in any manner different from their use under this act at the time may be considered in determining the special benefit received by the properties. Notwithstanding section 272.01, subdivision 2, or 273.19, real or personal property subject to a lease or use agreement between the authority or county and another person for uses related to the purposes of this act, including the operation of the ballpark and related parking facilities, is exempt from taxation regardless of the length of the lease or use agreement. This section, insofar as it provides an exemption or special treatment, does not apply to any real property that is leased for residential, business, or commercial development or other purposes different from those contemplated in this act.

**Sec. 9. [473.754] EMPLOYEES AND VENDORS.**

(a) The Minnesota Ballpark Authority shall make good faith efforts to have entry-level middle management and upper management staffed by minority and female employees. The authority shall also make best efforts to employ women and members of minority communities. The authority shall make good faith efforts to utilize minority and female-owned businesses in Hennepin County. Best efforts shall be made to use vendors of goods and services provided by minority and female-owned businesses from Hennepin County.

(b) The authority shall contract with an employment assistance firm, preferably minority owned, to create an employment program to recruit, hire, and retain minorities for the stadium facility. The authority shall hold a job fair and recruit and advertise at Minneapolis Urban League, Sabathani, American Indian OIC, Youthbuild organizations, and other such organizations.

(c) The authority shall report the efforts made in paragraphs (a) and (b) to the attorney general.

**Sec. 10. [473.755] MINNESOTA BALLPARK AUTHORITY.**

Subdivision 1. **Establishment.** To achieve the purposes of this act, the Minnesota Ballpark Authority is established as a public body, corporate and politic, and political subdivision of the state. The authority is not a joint powers entity or an agency or instrumentality of the county.

Subd. 2. **Composition.** (a) The Minnesota Ballpark Authority shall be governed by a commission consisting of:

(1) two members appointed by the governor;

(2) two members, including the chair, appointed by the county board; and

(3) one member appointed by the governing body of the city of Minneapolis.

(b) All members serve at the pleasure of the appointing authority.

(c) Compensation of members appointed under paragraph (a) is governed by Minnesota Statutes, section 15.0575.

(d) One member appointed under paragraph (a), clause (1), must be a resident of a county other than Hennepin. All other members appointed under paragraph (a) must be residents of Hennepin County.

(e) No member of the Minnesota Ballpark Authority may have served as an elected official of the city of Minneapolis or Hennepin County for a period of two years prior to appointment to the authority.

(f) The legislature intends that the ballpark be constructed to be operational for the team and the public no later than the opening of the 2010 season. Accordingly, the appointing authorities must make their appointments to the authority within 30 days of enactment of this act, and if the governing bodies of

the city of Minneapolis or the county should fail to do so, the governor may appoint an interim member to serve until the authorized appointment is made. The first meeting of the members shall take place at the direction of the chair within 45 days of enactment of this act. Further, the authority must proceed with due speed in all of its official organizing activities and in making decisions with respect to the development agreement and lease or use agreement authorized by this act or any other agreements or matters as necessary to meet the timetables set forth in this act. Any three members shall constitute a quorum for the conduct of business and action may be taken upon the vote of a majority of members present at a meeting duly called and held.

Subd. 3. **Chair.** The chair shall preside at all meetings of the authority, if present, and shall perform all other assigned duties and functions. The authority may appoint from among its members a vice-chair to act for the chair during the temporary absence or disability of the chair.

Subd. 4. **Bylaws.** The authority shall adopt bylaws to establish rules of procedure, the powers and duties of its officers, and other matters relating to the governance of the authority and the exercise of its powers. Except as provided in this section, the bylaws adopted under this subdivision shall be similar in form and substance to bylaws adopted by the Metropolitan Sports Facilities Commission pursuant to section 473.553.

Subd. 5. **Executive director.** The authority shall appoint an executive director to serve as the chief executive officer of the authority, which appointment shall be made within 30 days of the first meeting of the members.

Subd. 6. **Web site.** The authority shall establish a Web site for purposes of providing information to the public concerning all actions taken by the authority. At a minimum, the Web site must contain a current version of the authority's bylaws, notices of upcoming meetings, minutes of the authority's meetings, and contact telephone and facsimile numbers for public comments.

#### Sec. 11. **[473.756] POWERS OF AUTHORITY.**

Subdivision 1. **Actions.** The authority may sue and be sued. The authority is a public body and the ballpark and public infrastructure are public improvements within the meaning of chapter 562. The authority is a municipality within the meaning of chapter 466.

Subd. 2. **Acquisition of property.** The authority may acquire from any public or private entity by lease, purchase, gift, or devise all necessary right, title, and interest in and to real property, air rights, and personal property deemed necessary to the purposes contemplated by this act.

Subd. 3. **Data practices; open meetings.** Except as otherwise provided in this act, the authority is subject to chapters 13 and 13D.

Subd. 4. **Facility operation.** The authority may equip, improve, operate, manage, maintain, and control the ballpark and related facilities constructed, remodeled, or acquired under this act as smoke-free facilities, subject to the rights and obligations transferred to and assumed by the team or other user under the terms of a lease or use agreement, but in no case may a lease or use agreement permit smoking in the ballpark.

Subd. 5. **Disposition of property.** The authority may sell, lease, or otherwise dispose of any real or personal property acquired by it that is no longer required for accomplishment of its purposes. The property may be sold in accordance with the procedures provided by section 469.065, except subdivisions 6 and 7, to the extent the authority deems it to be practical and consistent with this act. Title to the ballpark shall not be transferred or sold prior to the effective date of enactment of any legislation approving such transfer or sale.

Subd. 6. **Employees; contracts for services.** The authority may employ persons and contract for services necessary to carry out its functions, including the utilization of employees and consultants retained

by other governmental entities. The authority shall enter into an agreement with the city of Minneapolis regarding traffic control for the ballpark.

Subd. 7. **Gifts and grants.** The authority may accept monetary contributions, property, services, and grants or loans of money or other property from the United States, the state, any subdivision of the state, any agency of those entities, or any person for any of its purposes, and may enter into any agreement required in connection with them. The authority shall hold, use, and dispose of the money, property, or services according to the terms of the monetary contributions, grant, loan, or agreement.

Subd. 8. **Research.** The authority may conduct research studies and programs; collect and analyze data; prepare reports, maps, charts, and tables; and conduct all necessary hearings and investigations in connection with its functions.

Subd. 9. **Use agreements.** The authority may lease, license, or enter into use agreements and may fix, alter, charge, and collect rentals, fees, and charges for the use, occupation, and availability of part or all of any premises, property, or facilities under its ownership, operation, or control for purposes that will provide athletic, educational, cultural, commercial, or other entertainment, instruction, or activity for the citizens of Minnesota and visitors. Any such use agreement may provide that the other contracting party has exclusive use of the premises at the times agreed upon, as well as the right to retain some or all revenues from ticket sales, suite licenses, concessions, advertising, naming rights, and other revenues derived from the ballpark. The lease or use agreement with a team shall provide for the payment by the team of operating and maintenance costs and expenses and provide other terms the authority and team agree to.

Subd. 10. **Insurance.** The authority may require any employee to obtain and file with it an individual bond or fidelity insurance policy. It may procure insurance in the amounts it considers necessary against liability of the authority or its officers and employees for personal injury or death and property damage or destruction, consistent with chapter 466, and against risks of damage to or destruction of any of its facilities, equipment, or other property.

Subd. 11. **Exemption from council review; business subsidy act.** The acquisition and betterment of a ballpark by the authority must be conducted pursuant to this act and are not subject to sections 473.165 and 473.173. Section 116J.994, does not apply to any transactions of the county, the authority, or other governmental entity related to the ballpark or public infrastructure, or to any tenant or other users of them.

Subd. 12. **Contracts.** The authority may enter into a development agreement with the team, the county, or any other entity relating to the construction, financing, and use of the ballpark and related facilities and public infrastructure. The authority may contract for materials, supplies, and equipment in accordance with sections 471.345 and 473.754, except that the authority, with the consent of the county, may employ or contract with persons, firms, or corporations to perform one or more or all of the functions of architect, engineer, or construction manager with respect to all or any part of the ballpark and public infrastructure. Alternatively, at the request of the team and with the consent of the county, the authority shall authorize the team to provide for the design and construction of the ballpark and related public infrastructure, subject to terms of this act. The construction manager may enter into contracts with contractors for labor, materials, supplies, and equipment for the construction of the ballpark and related public infrastructure through the process of public bidding, except that the construction manager may, with the consent of the authority or the team:

(1) narrow the listing of eligible bidders to those which the construction manager determines to possess sufficient expertise to perform the intended functions;

(2) award contracts to the contractors that the construction manager determines provide the best value, which are not required to be the lowest responsible bidder; and

(3) for work the construction manager determines to be critical to the completion schedule, award contracts on the basis of competitive proposals or perform work with its own forces without soliciting competitive bids if the construction manager provides evidence of competitive pricing.

The authority shall require that the construction manager certify, before the contract is signed, a fixed and stipulated construction price and completion date to the authority and post a performance bond in an amount at least equal to 100 percent of the certified price, to cover any costs which may be incurred in excess of the certified price, including but not limited to costs incurred by the authority or loss of revenues resulting from incomplete construction on the completion date. The authority may secure surety bonds as provided in section 574.26, securing payment of just claims in connection with all public work undertaken by it. Persons entitled to the protection of the bonds may enforce them as provided in sections 574.28 to 574.32, and shall not be entitled to a lien on any property of the authority under the provisions of sections 514.01 to 514.16. Contracts for construction and operation of the ballpark must include programs, including Youthbuild, to provide for participation by small local businesses and businesses owned by people of color, and the inclusion of women and people of color in the workforces of contractors and ballpark operators. The construction of the ballpark is a "project" as that term is defined in section 177.42, subdivision 2, and is subject to the prevailing wage law under sections 177.41 to 177.43.

Subd. 13. **Incidental powers.** In addition to the powers expressly granted in this act, the authority has all powers necessary or incidental thereto.

Subd. 14. **Review of ballpark design.** The authority must consider the ballpark implementation committee's recommendations as they relate to the design and construction of the ballpark, after the recommendations are considered by the city council as provided in section 473.758.

## Sec. 12. **[473.757] COUNTY ACTIVITIES; BONDS; TAXES.**

Subdivision 1. **Ballpark grants.** The county may authorize, by resolution, and make one or more grants to the authority for ballpark development and construction, public infrastructure, reserves for capital improvements, and other purposes related to the ballpark on the terms and conditions agreed to by the county and the authority.

Subd. 2. **Youth sports; library.** To the extent funds are available from collections of the tax authorized by subdivision 10 after payment each year of debt service on the bonds authorized and issued under subdivision 9 and payments for the purposes described in subdivision 1, the county may also authorize, by resolution, and expend or make grants to the authority and to other governmental units and nonprofit organizations in an aggregate amount of up to \$4,000,000 annually, increased by up to 1.5 percent annually to fund equally: (1) youth activities and youth and amateur sports within Hennepin County; and (2) the cost of extending the hours of operation of Hennepin county libraries and Minneapolis public libraries.

The money provided under this subdivision is intended to supplement and not supplant county expenditures for these purposes at the time of enactment of this act.

Hennepin County must provide reports to the chairs of the committees and budget divisions in the senate and the house of representatives that have jurisdiction over education policy and funding, describing the uses of the money provided under this subdivision. The first report must be made by January 15, 2009, and subsequent reports must be made on January 15 of each subsequent odd-numbered year.

Subd. 3. **Expenditure limitations.** The amount that the county may grant or expend for ballpark costs shall not exceed \$260,000,000. The amount of any grant for capital improvement reserves shall not exceed \$1,000,000 annually, subject to the agreement under section 473.759, subdivision 3, and to annual increases according to an inflation index acceptable to the county. The amount of grants or expenditures for land, site improvements, and public infrastructure shall not exceed \$90,000,000, excluding capital improvement reserves, bond reserves, capitalized interest, and financing costs. The authority to spend

money for land, site improvements, and public infrastructure is limited to payment of amounts incurred or for construction contracts entered into during the period ending five years after the date of the issuance of the initial series of bonds under this act. Such grant agreements are valid and enforceable notwithstanding that they involve payments in future years and they do not constitute a debt of the county within the meaning of any constitutional or statutory limitation or for which a referendum is required.

Subd. 4. **Property acquisition and disposition.** The county may acquire by purchase, eminent domain, or gift, land, air rights, and other property interests within the development area for the ballpark site and public infrastructure and convey it to the authority with or without consideration, prepare a site for development as a ballpark, and acquire and construct any related public infrastructure. The purchase of property and development of public infrastructure financed with revenues under this section is limited to infrastructure within the development area or within 1,000 feet of the border of the development area. The public infrastructure may include the construction and operation of parking facilities within the development area notwithstanding any law imposing limits on county parking facilities in the city of Minneapolis. The county may acquire and construct property, facilities, and improvements within the stated geographical limits for the purpose of drainage and environmental remediation for property within the development area, walkways and a pedestrian bridge to link the ballpark to Third Avenue distributor ramps, street and road improvements and access easements for the purpose of providing access to the ballpark, streetscapes, connections to transit facilities and bicycle trails, and any utility modifications which are incidental to any utility modifications within the development area.

To the extent property parcels or interests acquired are more extensive than the public infrastructure requirements, the county may sell or otherwise dispose of the excess. The proceeds from sales of excess property must be deposited in the debt service reserve fund.

Subd. 5. **Grant agreement.** The county may review and approve ballpark designs, plans, and specifications to the extent provided in a grant agreement and in order to ensure that the public purposes of the grant are carried out. The county board may delegate responsibility for implementing the terms of an approved grant agreement to the county administrator or other designated officers. Public infrastructure designs must optimize area transit and bicycle opportunities, including connections to existing trails, as determined by the county board.

The county may enforce the provisions of any grant agreement by specific performance. Except to require compliance with the conditions of the grant or as may be mutually agreed to by the county and the authority, the county has no interest in or claim to any assets or revenues of the authority.

Subd. 6. **Environmental.** The county may initiate or continue an environmental impact statement as the responsible governmental unit under section 116D.04, pay for any costs in connection with the environmental impact statement or reimburse others for such costs, and conduct other studies and tests necessary to evaluate the suitability of the ballpark site. The county has all powers necessary or convenient for those purposes and may enter into any contract for those purposes.

Subd. 7. **Local government expenditures.** The county may make expenditures or grants for other costs incidental and necessary to further the purposes of this act and may by agreement, reimburse in whole or in part, any entity that has granted, loaned, or advanced funds to the county to further the purposes of this act. The county shall reimburse a local governmental entity within its jurisdiction or make a grant to such a governmental unit for site acquisition, preparation of the site for ballpark development, and public infrastructure. Amounts expended by a local governmental unit with the proceeds of a grant or under an agreement that provides for reimbursement by the county shall not be deemed an expenditure or other use of local governmental resources by the governmental unit within the meaning of any law or charter limitation. Exercise by the county of its powers under this section shall not affect the amounts that the county is otherwise eligible to spend, borrow, tax, or receive under any law.

Subd. 8. **County authority.** It is the intent of the legislature that, except as expressly limited herein, the county has the authority to acquire and develop a site for the ballpark and public infrastructure, to enter into contracts with the authority and other governmental or nongovernmental entities, to appropriate funds, and to make employees, consultants, and other revenues available for those purposes.

Subd. 9. **County revenue bonds.** The county may, by resolution, authorize, sell, and issue revenue bonds to provide funds to make a grant or grants to the authority and to finance all or a portion of the costs of site acquisition, site improvements, and other activities necessary to prepare a site for development of a ballpark, to construct, improve, and maintain the ballpark and to establish and fund any capital improvement reserves, and to acquire and construct any related parking facilities and other public infrastructure and for other costs incidental and necessary to further the purposes of this act. The county may also, by resolution, issue bonds to refund the bonds issued pursuant to this section. The bonds must be limited obligations, payable solely from or secured by taxes levied under subdivision 10, and any other revenues to become available under this act. The bonds may be issued in one or more series and sold without an election. The bonds shall be sold in the manner provided by section 475.60. The bonds shall be secured, bear the interest rate or rates or a variable rate, have the rank or priority, be executed in the manner, be payable in the manner, mature, and be subject to the defaults, redemptions, repurchases, tender options, or other terms, as the county may determine. The county may enter into and perform all contracts deemed necessary or desirable by it to issue and secure the bonds, including an indenture of trust with a trustee within or without the state. The debt represented by the bonds shall not be included in computing any debt limitation applicable to the county. Subject to this subdivision, the bonds must be issued and sold in the manner provided in chapter 475. The bonds shall recite that they are issued under this act and the recital shall be conclusive as to the validity of the bonds and the imposition and pledge of the taxes levied for their payment. In anticipation of the issuance of the bonds authorized under this subdivision and the collection of taxes levied under subdivision 10, the county may provide funds for the purposes authorized by this act through temporary interfund loans from other available funds of the county which shall be repaid with interest.

Subd. 10. **Sales and use tax.** (a) Notwithstanding section 477A.016, or other law, the governing body of the county may by ordinance, impose a sales and use tax at the rate of 0.15 percent for the purposes listed in this section. The taxes authorized under this section and the manner in which they are imposed are exempt from the rules of section 297A.99, subdivisions 2 and 3. The provisions of section 297A.99, except for subdivisions 2 and 3, apply to the imposition, administration, collection, and enforcement of this tax.

(b) The tax imposed under this section is not included in determining if the total tax on lodging in the city of Minneapolis exceeds the maximum allowed tax under Laws 1986, chapter 396, section 5, as amended by Laws 2001, First Special Session chapter 5, article 12, section 87, or in determining a tax that may be imposed under any other limitations.

Subd. 11. **Uses of tax.** (a) Revenues received from the tax imposed under subdivision 10 may be used:

- (1) to pay costs of collection;
- (2) to pay or reimburse or secure the payment of any principal of, premium, or interest on bonds issued in accordance with this act;
- (3) to pay costs and make expenditures and grants described in this section, including financing costs related to them;
- (4) to maintain reserves for the foregoing purposes deemed reasonable and appropriate by the county;
- (5) to pay for operating costs of the ballpark authority other than the cost of operating or maintaining the ballpark; and

(6) to make expenditures and grants for youth activities and amateur sports and extension of library hours as described in subdivision 2;

and for no other purpose.

(b) Revenues from the tax designated for use under paragraph (a), clause (5), must be deposited in the operating fund of the ballpark authority.

(c) After completion of the ballpark and public infrastructure, the tax revenues not required for current payments of the expenditures described in paragraph (a), clauses (1) to (6), shall be used to (i) redeem or defease the bonds and (ii) prepay or establish a fund for payment of future obligations under grants or other commitments for future expenditures which are permitted by this section. Upon the redemption or defeasance of the bonds and the establishment of reserves adequate to meet such future obligations, the taxes shall terminate and shall not be reimposed.

Sec. 13. **[473.758] IMPLEMENTATION.**

Subdivision 1. **Environmental review.** The county shall be the responsible governmental unit for any environmental impact statement for the ballpark and public infrastructure prepared under section 116D.04. Notwithstanding section 116D.04, subdivision 2b, and implementing rules:

(1) the environmental impact statement shall not be required to consider alternative ballpark sites; and

(2) the environmental impact statement must be determined to be adequate before commencing work on the foundation of the ballpark, but the ballpark and public infrastructure may otherwise be started and all preliminary and final government decisions and actions may be made and taken, including but not limited to acquiring land, obtaining financing, imposing the tax under section 473.757, granting permits or other land use approvals, entering into grant, lease, or use agreements, or preparing the site or related public infrastructure prior to a determination of the adequacy of the environmental impact statement.

Subd. 2. **Ballpark implementation committee; city review.** In order to accomplish the objectives of this act within the required time frame, it is necessary to establish an alternative process for municipal land use and development review. It is hereby found and declared that the construction of a ballpark within the development area is consistent with the adopted area plan, is the preferred ballpark location, and is a permitted land use. This subdivision establishes a procedure for all land use and development reviews and approvals by the city of Minneapolis for the ballpark and related public infrastructure and supersedes all land use and development rules and restrictions and procedures imposed by other law, charter, or ordinance, including without limitation section 15.99. No later than 30 days after enactment, the city of Minneapolis and the county shall establish a ballpark implementation committee with equal representation from the city of Minneapolis and the county to make recommendations on the design plans submitted for the ballpark, public infrastructure and related improvements, including but not limited to street vacation, parking, roadways, walkways, skyways, pedestrian bridges, bicycle paths, transit improvements to facilitate public street access to the ballpark and integration into the transportation plan for downtown and the region, lighting, landscaping, utilities, streets, drainage, environmental remediation, and land acquired and prepared for private redevelopment in a manner related to the use of the ballpark. The implementation committee must take action to issue its recommendations within the time frames established in the planning and construction timetable issued by the county which shall provide for no less than 60 days for the committee's review. The recommendations of the implementation committee shall be forwarded to the city of Minneapolis Planning Commission for an advisory recommendation and then to the city council for final action in a single resolution, which final action must be taken within 45 days of the submission of the recommendations to the Planning Commission. The city council shall not impose any unnecessary or unreasonable conditions on the recommendations of the implementation committee, nor

take any action or impose any conditions that will result in delay from the time frames established in the planning and construction timetable or in additional overall costs. Failure of the city council to act within the 45-day period shall be deemed to be approval. The county may seek de novo review in the district court of any city council action. The district court or any appellate court shall expedite review to the maximum extent possible and timely issue relief, orders or opinions as necessary to give effect to the provisions and objectives in this act.

Sec. 14. **[473.759] CRITERIA AND CONDITIONS.**

Subdivision 1. **Binding and enforceable.** In developing the ballpark and entering into related contracts, the authority must follow and enforce the criteria and conditions in subdivisions 2 to 15, provided that a determination by the authority that those criteria or conditions have been met under any agreement or otherwise shall be conclusive.

Subd. 2. **Team contributions.** The team must agree to contribute \$130,000,000 toward ballpark costs, less a proportionate share of any amount by which actual ballpark costs may be less than a budgeted amount of \$390,000,000. The team contributions must be funded in cash during the construction period. The team shall deposit \$45,000,000 to the construction fund to pay for the first ballpark costs. The balance of the team's contribution must be used to pay the last costs of the ballpark construction. In addition to any other team contribution, the team must agree to assume and pay when due all cost overruns for the ballpark costs that exceed the budget.

Subd. 3. **Reserve for capital improvements.** The authority shall require that a reserve fund for capital improvements to the ballpark be established and funded with annual payments of \$2,000,000, with the team's share of those payments to be approximately \$1,000,000, as determined by agreement of the team and county. The annual payments shall increase according to an inflation index determined by the authority, provided that any portion of the team's contribution that has already been reduced to present value shall not increase according to an inflation index. The authority may accept contributions from the county or other source for the portion of the funding not required to be provided by the team.

Subd. 4. **Lease or use agreements.** The authority must agree to a long-term lease or use agreement with the team for its use of the ballpark. The team must agree to play all regularly scheduled and postseason home games at the ballpark. Preseason games may also be scheduled and played at the ballpark. The lease or use agreement must be for a term of at least 30 years from the date of ballpark completion. The lease or use agreement must include terms for default, termination, and breach of the agreement. Recognizing that the presence of major league baseball provides to Hennepin County, the state of Minnesota, and its citizens highly valued, intangible benefits that are virtually impossible to quantify and, therefore, not recoverable in the event of a team owner's breach of contract, the lease and use agreements must provide for specific performance and injunctive relief to enforce provisions relating to use of the ballpark for major league baseball and must not include escape clauses or buyout provisions. The team must not enter into or accept any agreement or requirement with or from Major League Baseball or any other entity that is inconsistent with the team's binding commitment to the 30-year term of the lease or use agreement or that would in any manner dilute, interfere with, or negate the provisions of the lease or use agreement, or of any grant agreement under section 473.757 that includes a specific performance clause, providing for specific performance or injunctive relief. The legislature conclusively determines, as a matter of public policy, that the lease or use agreement, and any grant agreement under section 473.757 that includes a specific performance clause: (a) explicitly authorize specific performance as a remedy for breach; (b) are made for adequate consideration and upon terms which are otherwise fair and reasonable; (c) have not been included through sharp practice, misrepresentation, or mistake; (d) if specifically enforced, do not cause unreasonable or disproportionate hardship or loss to the team or to third parties; and (e) involve performance in such a manner and the rendering of services of such a nature and under such circumstances that the beneficiary cannot be adequately compensated in damages.

Subd. 5. **Notice requirement for certain events.** Until 30 years from the date of ballpark completion, the team must provide written notice to the authority not less than 90 days prior to any action, including any action imposed upon the team by Major League Baseball, which would result in a breach or default of provisions of the lease or use agreements required to be included under subdivision 4. If this notice provision is violated and the team has already breached or been in default under the required provisions, the authority, the county, or the state of Minnesota is authorized to specifically enforce the lease or use agreement, and Minnesota courts are authorized and directed to fashion equitable remedies so that the team may fulfill the conditions of the lease and use agreements, including, but not limited to, remedies against major league baseball.

Subd. 6. **Enforceable financial commitments.** The authority must determine before ballpark construction begins that all public and private funding sources for construction of the ballpark are included in written agreements. The committed funds must be adequate to design, construct, furnish, and equip the ballpark.

Subd. 7. **Environmental requirements.** The authority must comply with all environmental requirements imposed by regulatory agencies for the ballpark, site, and structure, except as provided by section 473.758, subdivision 1.

Subd. 8. **Right of first refusal.** The lease or use agreement must provide that, prior to any planned sale of the team, the team must offer a corporation formed under section 473.763 a right of first refusal to purchase the team at the same price and upon the same terms and conditions as are contemplated in the intended sale.

Subd. 9. **Public share upon sale of team.** The lease or use agreement must provide that, if the team is sold after the effective date of this article, a portion of the sale price must be paid to the authority and deposited in a reserve fund for improvements to the ballpark or expended as the authority may otherwise direct. The portion required to be so paid to the authority is 18 percent of the gross sale price, declining to zero ten years after commencement of ballpark construction in increments of 1.8 percent each year. The agreement shall provide exceptions for sales to members of the owner's family and entities and trusts beneficially owned by family members, sales to employees of equity interests aggregating up to ten percent, and sales related to capital infusions not distributed to the owners.

Subd. 10. **Access to books and records.** The lease or use agreement must provide the authority access to annual audited financial statements of the team and other financial books and records that the authority deems necessary to determine compliance by the team with this act and to enforce the terms of any lease or use agreements entered into under this act. Any financial information obtained by the authority under this subdivision is nonpublic data under section 13.02, subdivision 9.

Subd. 11. **Affordable access.** To the extent determined by the authority or required by a grant agreement, any lease or use agreement must provide for affordable access to the professional sporting events held in the ballpark.

Subd. 12. **No strikes; lockouts.** The authority must negotiate a public sector project labor agreement or other agreement to prevent strikes and lockouts that would halt, delay, or impede construction of the ballpark and related facilities.

Subd. 13. **Youth and amateur sports.** The lease or use agreement must require that the team provide or cause to be provided \$250,000 annually for the term of the agreement for youth activities and youth and amateur sports without reducing the amounts otherwise normally provided for and on behalf of the team for those purposes. The amounts shall increase according to an inflation factor not to exceed 2.5 percent annually and may be subject to a condition that the county fund grants for similar purposes.

Subd. 14. **Name retention.** The lease or use agreement must provide that the team and league will transfer to the state of Minnesota the Minnesota Twins' heritage and records, including the name, logo, colors, history, playing records, trophies, and memorabilia in the event of any dissolution or relocation of the Twins franchise.

Subd. 15. **Ballpark design.** (a) If the authority obtains grants sufficient to cover the increased costs, the authority must ensure that the ballpark receives Leadership in Energy and Environmental Design (LEED) certification for environmental design, and to the extent practicable, that the ballpark design is architecturally significant. The Department of Administration and the Department of Commerce must cooperate with the authority to obtain any grants or other funds that are available to help to pay for the cost of meeting the requirements for the LEED certification.

(b) The ballpark design must, to the extent feasible, follow sustainable building guidelines established under section 16B.325.

(c) The authority must ensure that the ballpark be, to the greatest extent practicable, constructed of American-made steel.

#### **Sec. 15. [473.76] METROPOLITAN SPORTS FACILITIES COMMISSION.**

The Metropolitan Sports Facilities Commission may authorize, by resolution, technical, professional, or financial assistance to the county and authority for the development and operation of the ballpark upon such terms and conditions as the county or authority and the Metropolitan Sports Facilities Commission may agree, including reimbursement of financial assistance from the proceeds of the bonds authorized in this chapter. Without limiting the foregoing permissive powers, the Metropolitan Sports Facilities Commission shall transfer \$300,000 from its cash reserves to the county on or prior to January 1, 2007, for use in connection with preliminary ballpark and public infrastructure costs, which amount shall be repaid by the county from collections of the tax authorized by section 473.757, if any.

#### **Sec. 16. [473.761] CITY REQUIREMENTS.**

Subdivision 1. **Land conveyance.** At the request of the authority or county, the city of Minneapolis shall convey to the authority or county, as applicable, at fair market value all real property it owns that is located in the development area and is not currently used for road, sidewalk, or utility purposes and that the authority or county determines to be necessary for ballpark or public infrastructure purposes.

Subd. 2. **Liquor licenses.** At the request of the authority, the city of Minneapolis shall issue intoxicating liquor licenses that are reasonably requested for the premises of the ballpark. These licenses are in addition to the number authorized by law. All provisions of chapter 340A, not inconsistent with this section apply to the licenses authorized under this subdivision.

Subd. 3. **Charter limitations.** Actions taken by the city of Minneapolis under this act in a planning or regulatory capacity, actions for which fair market value reimbursement is provided or for which standard fees are collected, and any tax exemptions established under this act shall not be deemed to be an expenditure or other use of city resources within the meaning of any charter limitation.

#### **Sec. 17. [473.762] LOCAL TAXES.**

No new or additional local sales or use tax shall be imposed on sales at the ballpark site unless the tax is applicable throughout the taxing jurisdiction. No new or additional local tax shall be imposed on sales of tickets and admissions to baseball events at the ballpark, notwithstanding any law or ordinance, unless the tax is applicable throughout the taxing jurisdiction. The admissions and amusements tax currently imposed by the city of Minneapolis pursuant to Laws 1969, chapter 1092, may apply to admissions for baseball events at the ballpark.

Sec. 18. **[473.763] COMMUNITY OWNERSHIP.**

Subdivision 1. Purpose. The legislature determines that:

(1) a professional baseball franchise is an important asset to the state of Minnesota and ensuring that a franchise remains in Minnesota is an important public purpose;

(2) providing broad-based local ownership of a major league baseball franchise develops trust among fans, taxpayers, and the team, and helps ensure this important asset will remain in the state;

(3) providing community ownership of a professional baseball franchise ensures that the financial benefits of any increased value of the franchise will accrue to those members of the community who own the franchise; and

(4) enacting legislation providing for community ownership indicates to major league baseball continuing support for professional baseball in Minnesota.

Subd. 2. Acquisition. Subject to the rules of Major League Baseball, the governor and the Metropolitan Sports Facilities Commission must attempt to facilitate the formation of a corporation to acquire the baseball franchise and to identify an individual private managing owner of the corporation. The corporation formed to acquire the franchise shall have a capital structure in compliance with all of the following provisions:

(1) there may be two classes of capital stock: common stock and preferred stock. Both classes of stock must give holders voting rights with respect to any relocation or voluntary contraction of the franchise;

(2) the private managing owner must own no less than 25 percent and no more than 35 percent of the common stock. For purposes of this restriction, shares of common stock owned by the private managing owner include shares of common stock owned by any related taxpayer as defined in section 1313(c) of the Internal Revenue Code of 1986, as amended. Other than the rights of all other holders of common stock and preferred stock with respect to relocation or voluntary contraction of the franchise, the private managing owner must control all aspects of the operation of the corporation;

(3) other than the private managing owner, no individual or entity may own more than five percent of the common stock of the corporation;

(4) at least 50 percent of the ownership of the common stock must be sold to members of the general public in a general solicitation and a person or entity must not own more than one percent of common stock of the corporation; and

(5) the articles of incorporation, bylaws, and other governing documents must provide that the franchise may not move outside of the state or agree to voluntary contraction without approval of at least 75 percent of the shares of common stock and at least 75 percent of the shares of preferred stock. Notwithstanding any law to the contrary, these 75 percent approval requirements shall not be amended by the shareholders or by any other means.

Except as specifically provided by this act, no state agency may spend money from any state fund for the purpose of generating revenue under this subdivision or for the purpose of providing operating support or defraying operating losses of a professional baseball franchise.

Sec. 19. **HIGH SCHOOL LEAGUE; FUNDS TRANSFER.**

Beginning July 1, 2007, the Minnesota State High School League shall annually determine the sales tax savings attributable to Minnesota Statutes, section 297A.70, subdivision 11, and annually transfer that amount to a nonprofit charitable foundation created for the purpose of promoting high school extracurricular activities. The funds must be used by the foundation to make grants to fund, assist, recognize, or promote high school students' participation in extracurricular activities. The first priority for funding will be grants

for scholarships to individuals to offset athletic fees. The foundation must equitably award grants based on considerations of gender balance, school size, and geographic location, to the extent feasible.

Sec. 20. **VIKINGS STADIUM PROPOSAL.**

Representatives of Anoka County and the Minnesota Vikings shall negotiate an agreement for the development and financing of a stadium that meets the programmatic requirements of the National Football League, and that has a retractable roof, to be located in the city of Blaine. A report on the agreement must be presented to the legislature by January 15, 2007.

Sec. 21. **ANOKA COUNTY SALES AND USE TAX AUTHORIZATION.**

Subdivision 1. **Authorization.** To provide local government revenue to finance a football stadium for the Minnesota Vikings, located in the city of Blaine, Anoka County may impose a general sales and use tax on sales subject to taxation under Minnesota Statutes, chapter 297A, within its jurisdiction of not more than 0.75 percent. The tax imposed under this section must terminate 30 days after the county board determines that sufficient revenues have been received from the tax and other sources to retire or redeem the bonds issued to pay for the stadium. The tax may be imposed notwithstanding the provisions of Minnesota Statutes, section 477A.016. The requirements of Minnesota Statutes, section 297A.99, subdivisions 2 and 3, do not apply to the tax imposed under this subdivision.

Subd. 2. **Contingency.** The tax under this section may be imposed by Anoka County only after the legislature at the 2007 or later legislative session has enacted a law that provides for the development and financing of a stadium for the Minnesota Vikings in the city of Blaine that includes the tax as part of the financing plan.

Subd. 3. **Exemption from local approval requirement.** This section is not subject to the local approval requirement under Minnesota Statutes, section 645.021.

Sec. 22. **METROPOLITAN SPORTS FACILITIES COMMISSION FUND TRANSFER.**

Upon sale of the Metrodome, the Metropolitan Sports Facilities Commission must transfer \$5,000,000 from its cash reserves in place prior to the sale of the Metrodome to the city of Minneapolis for future infrastructure costs at the site of the Metrodome.

Sec. 23. **REPEALER.**

Minnesota Statutes 2004, sections 272.02, subdivision 50; 297A.71, subdivision 31; 473I.01; 473I.02; 473I.03; 473I.04; 473I.05; 473I.06; 473I.07; 473I.08; 473I.09; 473I.10; 473I.11; 473I.12; and 473I.13, are repealed.

Sec. 24. **EFFECTIVE DATE.**

Sections 1 and 3 to 23 are effective the day following final enactment.

Presented to the governor May 22, 2006

Signed by the governor May 26, 2006, 7:24 p.m.