Proposal to Governor Tim Pawlenty's

STADIUM SCREENING COMMITTEE

The Minnesota Urban Ballpark

Located in the Historic Minneapolis Warehouse District

submitted by

Hennepin County *and* **Minneapolis**

City of Lakes

January 15, 2004

Prepared by Albersman & Armstrong, Ltd. - Suite 411 - 333 Washington Avenue North - Minneapolis Minnesota 55401

January 15, 2004

Stadium Screening Committee
State of Minnesota Department of Finance
400 Centennial Building
658 Cedar Street
St. Paul, Minnesota 55155

Dear Stadium Screening Committee Members,

Hennepin County and the City of Minneapolis, home to the Minnesota Twins for more than twenty years, are pleased to submit this proposal to Governor Tim Pawlenty's Stadium Screening Committee. If the Legislature and Governor Pawlenty choose to promote new sports facilities, the Minneapolis Warehouse District remains the premier, sensible location for a Twins ballpark for numerous reasons. To name a few:

> The Warehouse District Ballpark site (also known as the Rapid Park Site) **is nestled within $400+ million of existing infrastructure which is a 5-minute walk** from over 23,000 fan-friendly parking spaces served by immediate freeway/highway access with proven capacity, skyway connections, and nearby bus and light rail stations.
>
> The Warehouse District Ballpark site has the unique advantage of a **"willing seller", of an assembled site**, who has endorsed this proposal.
>
> The Warehouse District Ballpark site is located **within the State's premier entertainment/ hospitality district** with key fan amenities, including hundreds of restaurants, bars, shops, hotels, and theaters, as well as 3,395 hotel rooms connected by skyway to the Ballpark site.
>
> The Warehouse District Ballpark site has the clear fan advantage, with **nearly 200,000 potential fans each workday in Downtown Minneapolis**. It also boasts Minnesota's largest stadium and convention facilities with a history of hosting several national sporting and major visitor events.

The Minneapolis Warehouse District Ballpark site is far and away the **most fiscally responsible and developable, serving the interests of the State, Region, team, and the fans**.

The initiation of the Stadium Screening Committee recognizes the statewide nature and importance of the sports facilities challenges facing the state. We look forward to working with the Committee, the Governor and the Legislature to confirm that the Minneapolis Warehouse District Ballpark site is superior, and to ensure a successful conclusion for the State, Region, fans, and the team.

Sincerely,

Randy Johnson, Chair
Mark Stenglein, Vice Chair,
Hennepin County Board
Of Commissioners

R.T. Rybak, Mayor
Paul Ostrow, Council President
City of Minneapolis

Introduction

The Minneapolis Warehouse District site is the vastly superior site for a Minnesota Twins ballpark. A new ballpark is a major real estate development with three critical factors for success: "location, location, location." The Minneapolis Warehouse District Ballpark Site is "*The Location.*" And here are just some of the Site advantages:

- Hundreds of Millions of Dollars in Existing Infrastructure Serving Fans Throughout the Region
- Unparalleled Accessibility via Freeway and Multiple Transit Options
- Most Cost Effective, Developable Ballpark Site
- Willing Seller of Assembled Site
- Site Accommodates Twins Design Criteria

"This (the Warehouse District Site) has the potential to be one of the best urban ballparks in the United States"

Jerry Bell, President
Twins Sports Inc.

This site is perfectly suited for a ballpark, and will reinforce existing and new development in this dynamic area of downtown Minneapolis. Situated near the neighboring Warehouse/Entertainment district, it will provide energy and vitality on game days, yet will not detract from urban activities during non-game days. Furthermore, this site is already a major center for transit in the region with more service on the way. It presents enhanced opportunities for concessions and year-around business in and around the Ballpark. One could imagine a restaurant located in the Ballpark patronized by transit users and others already located in the Warehouse District, and much more!!

This proposal addresses topics in the order set forth in the Invitation for Proposals from the Stadium Screening Committee dated November 4, 2003. It incorporates a Ballpark design acceptable to the Minnesota Twins and consistent with the Invitation for Proposals ("IFP") which requests a "site that can accommodate the needs of the team".

The Minneapolis Warehouse District Ballpark Site is far and away the most fiscally responsible and developable serving the interests of the State, Region, team, and the fans. Hennepin County and the City of Minneapolis ("Warehouse District Ballpark Proposers"), recognize that the Ballpark design endorsed by the Twins may raise policy and fiscal implications which should be addressed with the Twins and other policymakers and stakeholders. In this context, the Proposers endorse the superior Warehouse District Ballpark Site. Hennepin County's financing plan anticipates that it will be designated by the State as the public entity that will do the Ballpark transaction, with authorities and tools granted by the Legislature allowing Hennepin County to negotiate the specifics with the team.

Site - 1. Location & Size:
Superior Site for State, Region, Fans and Team

HOK, consultant to the Screening Committee, is the most prolific designer of major league baseball stadiums in America. HOK designed Coors Field in Denver, Pacific Bell Park in San Francisco, Jacobs Field in Cleveland, Comerica Park in Detroit, Minute Maid Park in Houston, and Oriole Park at Camden Yards in Baltimore. This proposal is based upon a conceptual design which meets HOK design criteria to ensure this site can successfully accommodate the Twins needs and design. Moreover, a new Ballpark can be built and operated efficiently and cost-effectively on this site for the benefit of the State, Region, fans, and team.

"Land Partners II endorses this proposal and is willing to sell the property required for a new ballpark."

Bruce Lambrecht, President Investment Management Inc.

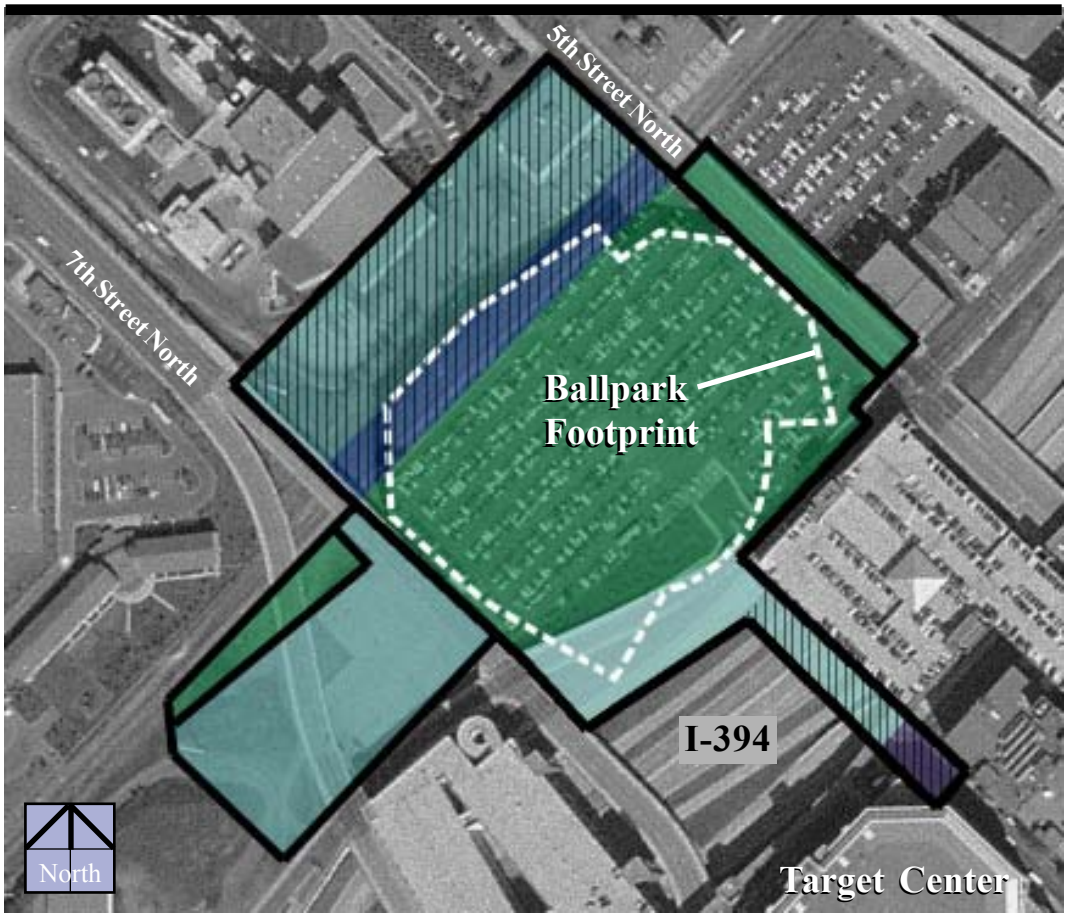
Land Ownership	
Public/Other	10.5
Land Partners II	8.0
Burlington RR	1.8
Air Rights Only	
Site Limits	
Total Acres:	20.3

This site is destined to become a major center for transit in the area. The additional activity will enhance opportunities for concessions and other business in and around the stadium.

A. Premier, Assembled Site with Willing Seller

The proposed site for the Twins Ballpark is located about one block northwest of the Target Center between Fifth Street North and Seventh Street North. The site boundaries described in Figure 1 reflect the property requirements of the Twins design. The site as shown is approximately **20 acres and will accommodate a premier facility** comparable in size to the San Francisco Giants' Pacific Bell Park, the Cleveland Indians' Jacob Field, and the Pittsburgh Pirates' PNC Park. The Site incorporates the Twin's design

Figure 1: Site Boundaries and Ownership Source: Land Partners II, HOK Sport



elements of a **1,050,000 square foot ballpark with seating for 42,000 fans and includes sixty private suites, ten party suites, two owners' suites, plus club seating for 4,300**. The orientation of the site provides a panoramic view of the Minneapolis skyline from the infield seats (Figure 2) with sun angles ideally suited for the players in afternoon and evening ball games (Figure 3).

In considering this site and comparing it to others, please consider Twins Sports President Jerry Bell's testimony before your Committee concerning the fatal flaws of the failed Saint Paul ballpark proposal. He identified three critical flaws: Site assembly and related acquisition and relocation costs; environmental risks; and infrastructure costs to provide a first class facility for the fans. The Minneapolis Warehouse District Ballpark Site avoids each of these flaws.

"It's a perfect location, and I believe it is the location the Pohlads prefer."

Sid Hartman, Star Tribune

Major Events Hosted by Minneapolis:

1985 Major League Baseball - All Star Game

1987 Major League Baseball - World Series

1990 Olympic Festival

1991 U.S. Figure Skating Championships

1991 Major League Baseball - World Series

1992 National Collegiate Athletic Association - Men's Basketball Final Four

1992 National Football League - Super Bowl

1994 National Basketball Association - All Star Game

1995 National Collegiate Athletic Association - Women's Basketball Final Four

1998 World Figure Skating Championships

2001 National Collegiate Athletic Association - Men's Basketball Final Four

Figure 2: The Minneapolis Skyline

Source: Minnesota Twins Organization

Figure 3: Ballpark Site and Orientation

Source: Albersman & Armstrong, Ltd.

This site is developable with a willing seller and surrounding public ownership. Eight acres of the Site are currently used as a private surface parking lot. The owners of this real estate have expressed a willingness to sell the property for a new ballpark. All of the remaining required property is controlled by governmental agencies including the City of Minneapolis, the Minnesota Department of Transportation, and Hennepin County. The acquisition of air rights would be required from Burlington Northern to accommodate the overhang of the infield bleachers and the retractable roof.

The Committee should carefully evaluate any other sites which require condemnation, including implications of recent court decisions like Walser v. City of Richfield and the sufficiency of acquisition and relocation cost projections. The Twins' prior experience should guide the Committee and not be repeated.

Site advantages:

- Site Control
- Convenient Parking
- Convenient Transit
- Thoroughly Studied Site
- Unparalleled Accessibility
- Avoids Fatal Flaws of Past

"Based on our experience and the information we have reviewed, I believe that the soils at the Rapid Park site will be easier to work with than Miller Park, Soldiers Field, or Spartan Stadium."

James Overtoom, P.E.
Principal Engineer
STS Consultants, Ltd.

STS Consultants, Ltd. is a geotechnical engineering firm with over 100 years of combined experience including projects such as Milwaukee (Miller Park), Green Bay (Lambeau Field), Chicago (Soldiers Field), as well as the Pretonias Towers in Malaysia (the tallest building in the world).

B. Environmental Review

A Phase I environmental assessment of the Site has been conducted by Conestoga-Rovers & Associates and reveals no contamination. In addition, the City of Minneapolis Environmental Management also conducted a site review for the proposed Ballpark site and adjoining properties. The records searched included the EPA registered sites, the MPCA databases for leak sites, tanks and contamination, along with Minneapolis Fire Department tank permits, and Environmental Management's permits, complaint reports, and site files.

Records indicate that there were two heating oil tanks on the site. These tanks may have been removed before permitting was required, or are still on-site. The site has no record of contamination, and no other conditions were found that would indicate the presence of contamination.

The nearby Covanta-Hennepin Energy Resource Company (HERC), Hennepin County's resource recovery facility, presents opportunities, including a "green" source of heat and energy for the Ballpark. As a neighbor, HERC performs well within environmental limits. For example, HERC emissions consistently test below the MPRC limits - 80% below limits on average. Likewise, Hennepin County will manage operations so that off-site odors are not a concern.

An Environmental Impact Study (EIS) is required for construction of a new ballpark per Minnesota statute 4410.4400 subpart 22. Hennepin County and /or the City of Minneapolis will serve as the Responsible Government Unit (RGU) and have taken initial steps in this process. Given the substantial amount of analysis of the Warehouse District Ballpark site in the last two years, an EIS process would be thorough, thoughtful, efficient, and prompt.

Similar to other Environmental Impact Studies conducted in Downtown Minneapolis in recent years, the scoping for this EIS will include (1) adopted city plans, (2) air quality standards, and (3) historic resources. Because the necessary infrastructure to meet Ballpark needs exists , an EIS will be necessary for the site only. Based on our experience as host of the Metrodome for the last twenty years, and our environmental investigations for other projects in the vicinity of the proposed Ballpark site, it is anticipated that adverse environmental impacts are unlikely and, if identified, can be mitigated. The City of Minneapolis and Hennepin County have substantial capability to detect and respond to any environmental impacts that arise from conducting an EIS for this project.

Site - 2. Accessibility

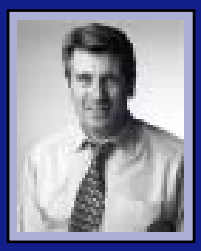
A. Fan Advantage

A ballpark located in Hennepin County would provide the greatest accessibility through the shortest routes to the Ballpark for the greatest number of fans. **Fans that reside in Hennepin County represent, by far, the largest Twins fan base.** 55% of all ticket sales in the seven county metropolitan area and 47% of all season ticket sales were from Hennepin County. Hennepin County residents buy more than three times the amount of Twins tickets than the county with the second highest number of Twins ticket sales.

Likewise, the Warehouse Hospitality and Entertainment neighborhood provides ample facilities for the over 300,000 visiting fans.

Finally, the Warehouse District Site will be directly connected by Light Rail to the MSP International Airport, Mall of America, and Bloomington hospitality community. In fact, at least sixty cities are within 30 minutes of the Ballpark site via the superb freeway, highway, bike paths, and transit systems serving the site (see side bar page 10).

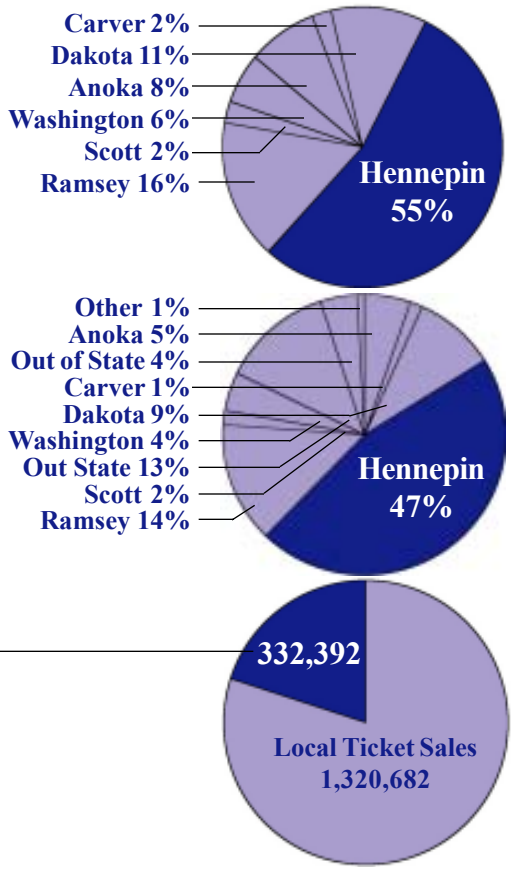
Figure 4: 2003 Twins Ticket Sales Source: Minnesota Twins

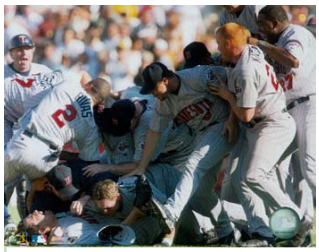


"Minneapolis has every advantage for a new ballpark site and is the best use of public dollars. The millions of dollars in infrastructure investment, adjoining warehouse district and transportation hub make this the obvious choice for the State, Region, fan base and the team. We are thrilled to be a part of this process!"

R.T. Rybak,
Mayor
Minneapolis

A ballpark located in Hennepin County would provide the greatest accessibility in terms of travel distance to the ballpark.





"When you consider what's best from a regional perspective, this Site is it - transit, existing infrastructure, and a walkable connection to downtown. This was the conclusion of the C-17 Citizens Committee - build a transit-oriented compact ballpark in an urban neighborhood."

Nick Koch,
Co-Chair, AIA
Minneapolis Urban Design Committee

This existing highway infrastructure makes this site easily accessible for residents of the Metropolitan Area and from Greater Minnesota.

B. Site Easily Accessible from Everywhere

Highways converge on the Site from all directions, making it easily the most accessible site in the Twin Cities. Interstate 394 from the west, Interstate 94 from the east and northwest, Highway 55 from the west, and Interstate 35W from the south and north. The Site is served by four major freeways/highways and accompanying interchanges which each day serve comparable or larger volumes. **No new roadways or interchanges are required for patrons to access the Site.** The existing freeway/highway system and interchanges will remain intact.

As can be seen from Figure 5, the site is strategically positioned to serve the Twins fan base very well. This existing freeway/highway infrastructure makes this site easily accessible for fans from throughout the State. **This Ballpark site is well within the PROVEN capacity of the supporting transporation system and, in fact, will enhance effective utilization of existing regional transportation infrastructure.**

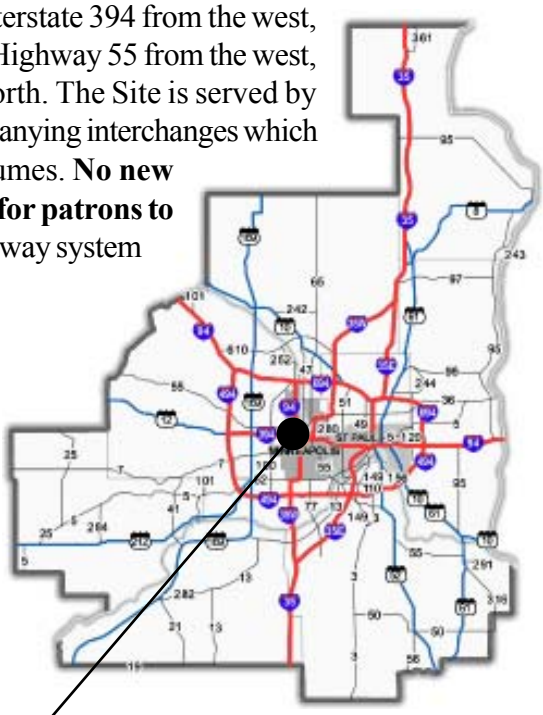
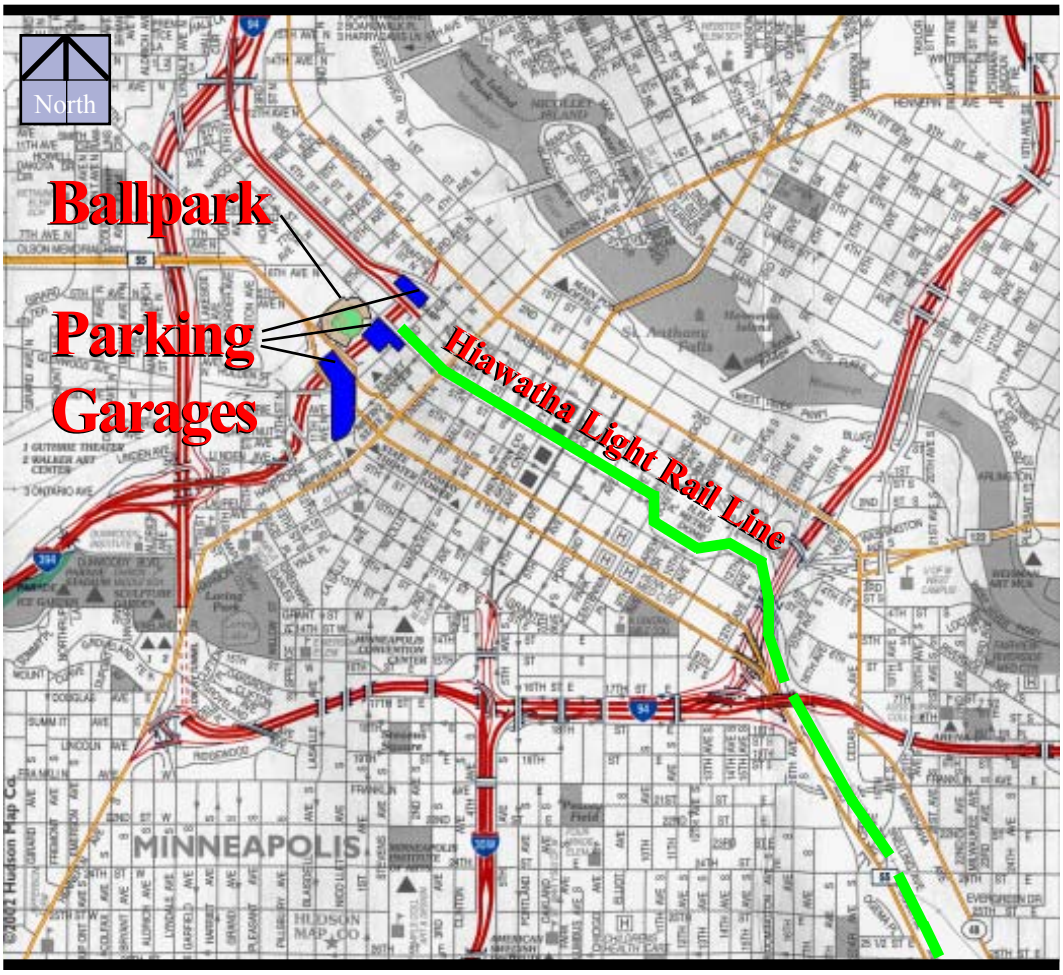


Figure 5: Ballpark Site Freeway Accessibility

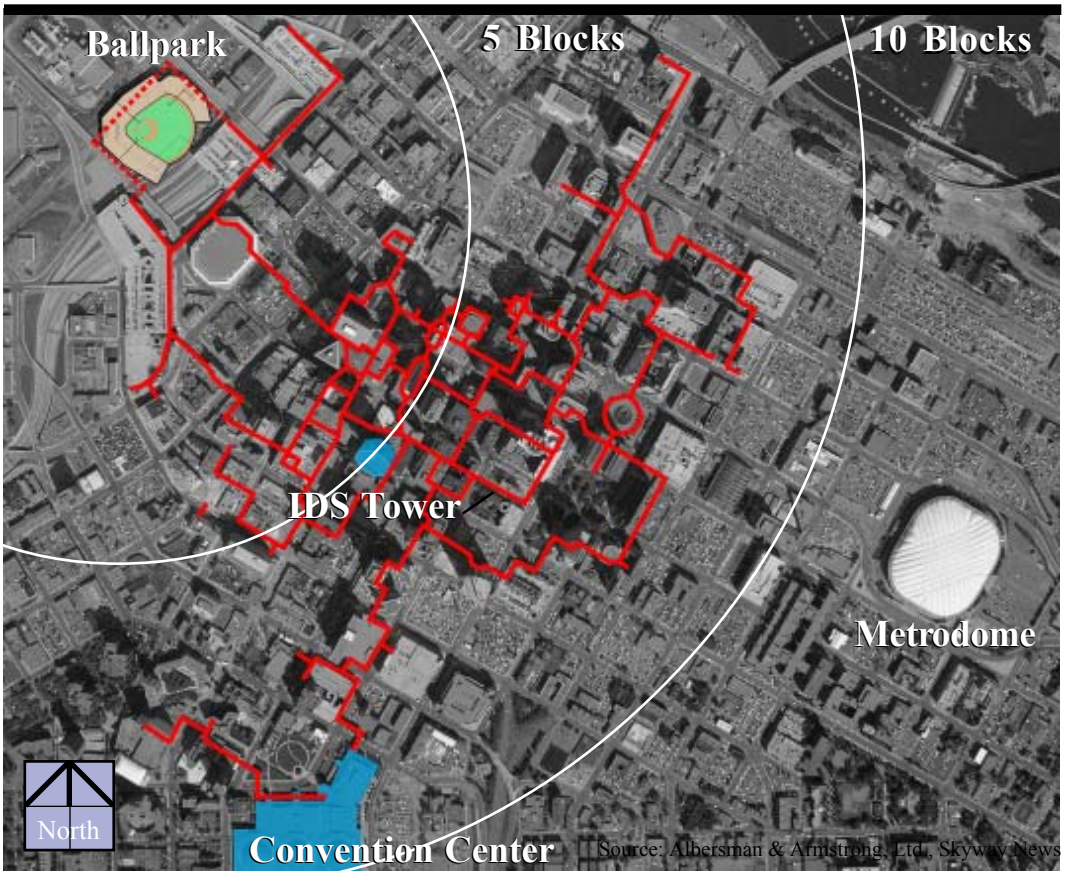
Source: Albersman & Armstrong, Ltd., MNDOT



The extensive skyway system in downtown Minneapolis is a short distance from the Ballpark site (Figure 6). Twins fans could park virtually anywhere in the Minneapolis Central Business District and walk in the climate controlled skyway system to the Ballpark. Whether patrons are walking at street level or in the skyway system, they will be walking through the heart of the Minneapolis Warehouse / Entertainment District. Within a brief walk of the Ballpark, there are 172 food and entertainment establishments and 3,395 hotel rooms. Access to the skyway system will also make the Site more attractive for private development adjacent to the ballpark.

Figure 6: Minneapolis Skyway System

Source:
City of Minneapolis Planning Department



Source: Albersman & Armstrong, Ltd., Skyway News

"There are more hotels and restaurants within walking distance of this site than can be found within walking distance of any other site in the state!"

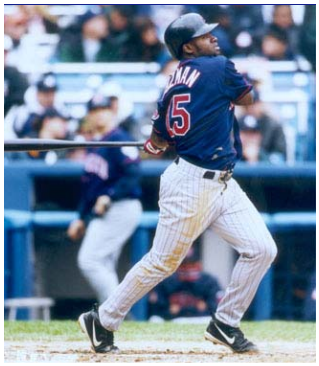
Russ Nelson,
Chair of the Minneapolis Downtown Council

Twins fans could park virtually anywhere in the Central Business District and walk in the climate controlled skyway system to the ballpark.

Site - 3. Parking & Infrastructure

A. Hop, Skip and Jump Access

According to the Committee's consultants, a new ballpark with a 42,000-seat capacity at the Warehouse District site will require approximately 12,700+ parking spaces . This site has abundant parking to more than satisfy that criteria within a five-minute walking distance. **There are approximately 23,249 parking spaces available to the public within five blocks of the Warehouse District Site.** The Fifth Street, Fourth Street and Seventh Street TAD Garages contain approximately 7,745 parking spaces virtually connected to the new Ballpark. An additional 15,504 parking spaces are within five blocks of the Site. These parking spaces provide parking for downtown employees during the day, but are highly underutilized during the evening hours. Complementary utilization by Ballpark fans will serve the State, the Region, and the fans in a fan-friendly, economically efficient, and environmentally sound fashion.



"It (the Warehouse District Ballpark Site) reminds me of the Coors site... But, it has much better parking"

Earl Santee,
Senior Principal
HOK Sports

Public Parking

- City Managed
- Privately Managed

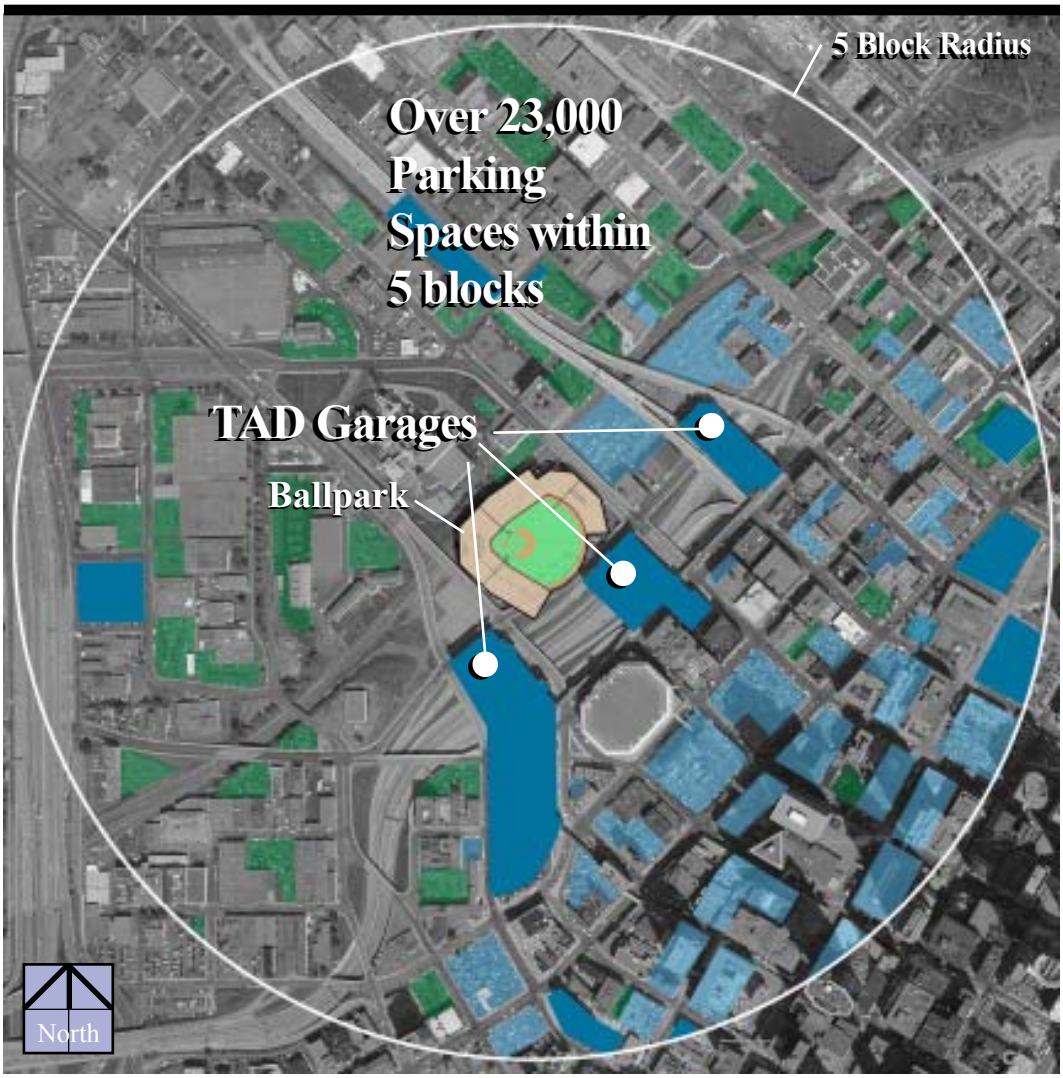
- Other

"Other" indicates parking not included in totals, but have potential to provide additional parking for the ballpark.

The existing parking supply gives this site an enormous advantage over any other comparable site.

Figure 7: Adjacent Parking Supply

Source: City of Minneapolis



Looking for a moment at complimentary utilization, the occupancy characteristics of the garages are ideally suited to satisfy fan parking for Twins ball games. Starting around 5:00 PM during weekdays, the occupancy drops off dramatically and by 7:00 PM at least 75% of the TAD Garages space, for example, would be available for fans. The Twins report that typically, only 6 of 81 home games are held at Noon on a weekday so there are ideal parking and access conditions for 92% of the games and superior conditions for the other 8% within five blocks of the Site

Twins Game Schedule Projections:

Day of Week	Time	Games	Total
M-F Weekday Nights	7:00 PM	49	60%
M-F Weekday Days	12:00 Noon	6	8%
Weekend Nights	6:00 PM	13	16%
Weekend Days	1:00 PM	13	16%
Total Games		81	100%

Cities within a 30 minute drive of the Ballpark site include:

Minneapolis
St. Paul
Anoka
Champlin
Coon Rapids
Blaine
Lexington
Circle Pines
Brooklyn Park
Brooklyn Center
Fridley
Spring Lake Park
Moundsview
New Brighton
Shoreview
Arden Hills
Vadnais Heights
Little Canada
Gem Lake
North St. Paul
Oakdale
Maplewood
Roseville
St. Anthony
Falcon Heights
Lauderdale
Columbia Heights
Hilltop
Crystal
New Hope
Robbinsdale
Maple Grove
Plymouth
Medicine Lake
Golden Valley
Long Lake
Orono
Wayzata
Woodland
Deephaven
Minnetonka
St. Louis Park
Hopkins
Edina
Eden Prairie
Shakopee
Richfield
Bloomington
Savage
Burnsville
Apple Valley
Eagan
Mendota Heights
Inver Grove Heights
Mendota
Lilydale
St. Paul
West St. Paul
Lake Elmo
Woodbury

The existing freeway/highway system, parking spaces and transit options give this Site an enormous advantage over any other comparable site. In fact, this Site is nestled within $400+ million of existing, environmentally sound, efficient infrastructure. Here's a quick summary.

Parking garages located in urban sites are very expensive to build because of site constraints and land costs. Using the Committee consultant's conservative assumption that a parking space has a "value" or cost of $15,000 per space (NOT including land acquisition), the existing parking space infrastructure within 5 blocks of the Warehouse District Ballpark Site is worth over $330 Million. The 7,745 parking spaces in the immediately adjacent TAD Garages alone are worth over $116 million.

Moreover, the Warehouse District site is served by four major freeways and highways and their interchanges designed for high capacity and ready access to the site. Replicating this infrastructure of freeway/highway capacity and of interchange capacity would be $150 million or more easily. Adding the value of transit infrastructure gives existing asset value well in excess of $400 million.

"A ballpark on the Rapid Park site will be a wonderful addition to our neighborhood. Not only will it create jobs for our people, it will make the area more safe and like our facility has done, it will literally light up the area the nights of all those games!!! I whole-heartedly support the plan and I will be praying for it!"

Mary Jo Copeland, Sharing and Caring Hands

This site has the availability of transit options, including Light Rail and Metro Transit Bus lines, that will reduce the 15,000 parking space requirement.

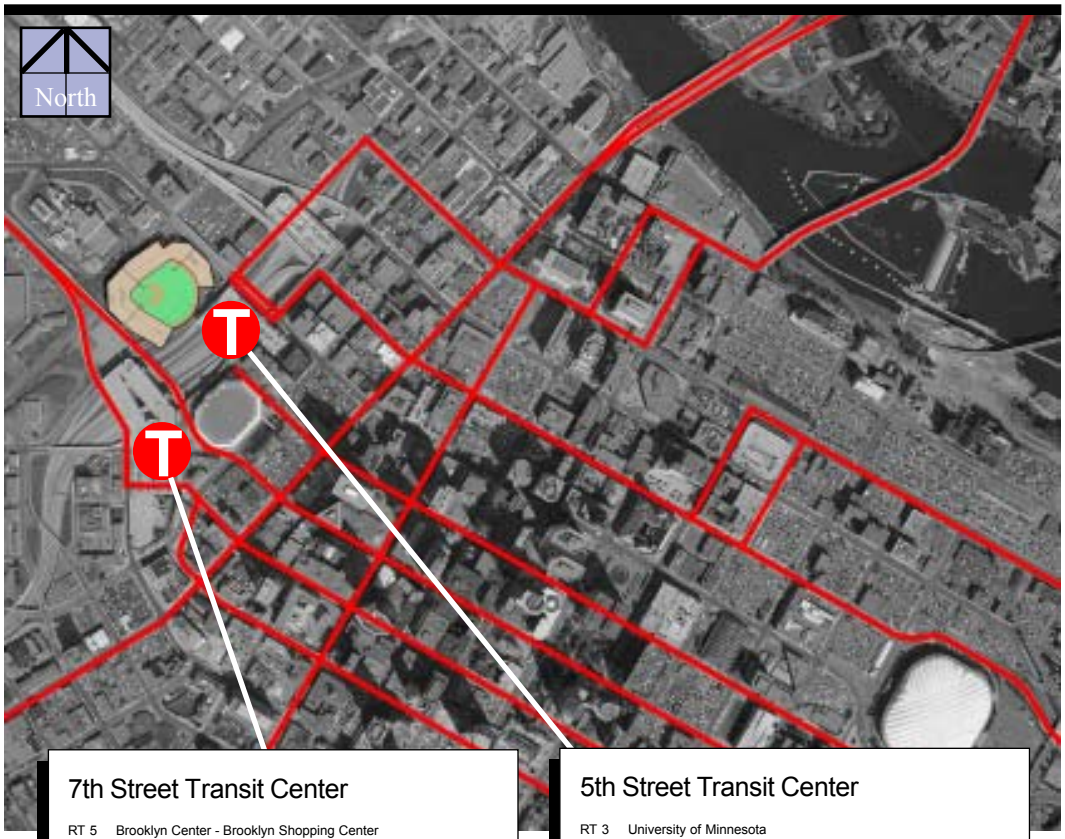
Site - 4. Transit Connections

A. Fan Friendly, Environmentally Wise Transit Options

No other site in the Twin Cities can boast of better linkages to the regional transit system either existing or planned.

Figure 8: Major Bus Routes in Downtown Minneapolis

Source: MTC



7th Street Transit Center

RT 5 Brooklyn Center - Brooklyn Shopping Center
North Minneapolis - Penn Ave, Fremont Ave
South Minneapolis - Chicago Ave
Richfield - Portland Ave
RT 8 Downtown Minneapolis
East Franklin Avenue
Prospect Park - Franklin Ave, East River Rd
RT 9 Minnetonka - Greenbrier Rd, Cedar Lake Rd
St. Louis Park - Cedar Lake Rd, Louisiana Ave
Golden Valley - Glenwood Avenue
Minneapolis - Bryn Mawr Neighborhood, Glenwood Ave
South Minneapolis - 3rd Ave So, 4th Ave So
RT 19 Robbinsdale Transit Center
Crystal
Golden Valley
North Minneapolis - Penn Ave No, Olsen Memorial Highway
Cedar/Riverside
South Minneapolis - Cedar Ave, 28th Ave
Richfield
Bloomington - Mall of America
RT 22 Brooklyn Park
Brooklyn Center - Brookdale Shopping Center
North Minneapolis - Lyndale Avenue North
South Minneapolis - 24th Street, Cedar Ave, 42nd St, 34th Ave
RT 39 South Minneapolis - St. Mary's University
RT 61 Hennepin Avenue
Industrial Boulevard
Marshall Fields Warehouse
UPS
St. Paul - Larpenter Ave, Arlington Ave, Arcade St, 7th Street
Downtown St. Paul
RT 134 Downtown Minneapolis
I-94 University of Minnesota - Huron Station
St. Paul - Cretin Avenue, Highland Park
RT 194 St. Paul - Snelling Avenue, Highland Park
RT 452 University of Minnesota - Washington Avenue
West St. Paul - Oakdale Avenue, Highway 110
Mendota Heights - Parkview Plaza
RT 673 Minnetonka
I-394 and County Road 73 - Park & Rides
West Ridge

5th Street Transit Center

RT 3 University of Minnesota
Dinkytown
Como Avenue
St. Paul - Maryland Ave, Energy Park, Front Ave, Rice St
Downtown St. Paul
RT 7 Downtown Minneapolis
Cedar / Riverside
South Minneapolis
Minnehaha Park
Ft. Snelling
Minneapolis/St. Paul International Airport
Bloomington - Mall of America
RT 14 Robbinsdale - Robbinsdale Transit Center
West Broadway Avenue
South Minneapolis - Bloomington Avenue
RT 16 Downtown Minneapolis
Minneapolis - University of Minnesota
St. Paul - University Ave
Midway Center
State Capitol
RT 50 Minneapolis - University of Minnesota
St. Paul - University Avenue
Midway Center
State Capitol
RT 94BCD
University of Minnesota - Huron Station
St. Paul - Snelling Ave
I-94
State Capitol
Downtown St. Paul
RT 353 & 355
Downtown Minneapolis
Downtown St. Paul
Woodbury
RT 365 Downtown Minneapolis
Downtown St. Paul
New Port
St. Paul Park
Cottage Grove
RT 673 Minnetonka - I394, Co. Rd. 73 Park & Rides
Crescent Ridge Offices
West Ridge
Downtown Minneapolis

"There is also a hard-edged practical aspect to these land use strategies - they will save public money. For the metropolitan transit and transportation system, putting growth where the infrastructure to support it already exists, means roads that don't have to be built."

2030 Regional Development Framework REVIEW REGARDING BALLPARKS

Bus Terminals

The Fifth and Seventh Street Garage Transit Facilities provide direct connections to the Metro Transit bus network that fans out across the Metropolitan Area. In addition, suburban commuter bus service is located five blocks to the east along Marquette Avenue. Because this Site is located within 2 blocks of the Warehouse District/Hennepin Station on the Hiawatha Light Rail Transit Line, it will have excellent rail transit connections to the South Metro Commuter Shed.

The bus depot located in the Hawthorne Transportation Center currently houses the Greyhound and Jefferson Lines serving Greater Minnesota. It is three blocks from the ballpark site and is accessible via the skyway system.

As with the Metrodome, Charter bus service to the Warehouse District Ballpark Site would be easily accommodated.

Rail Connections

Several rail transit lines interact with or are adjacent to the Ballpark site.

Fully operational for any new Warehouse District Ballpark, Hiawatha Light Rail Transit ("LRT") will run on Fifth Street from the Ballpark site, through downtown Minneapolis and along Hiawatha Avenue / Highway 55 South to the neighborhoods and communities in South Minneapolis, the Minneapolis / St. Paul International Airport, the City of Bloomington, and the Mall of America.

Planning is underway to add the first line of commuter rail service to the Twin Cities region through the Northstar Line which has the support of the Pawlenty Administration. This line will run to and from the North Loop in Downtown Minneapolis (connecting with LRT at the Ballpark site) connecting the site to points northwest.

Preliminary planning is underway to connect Downtown Minneapolis and the Hiawatha LRT to Downtown St. Paul (along University Avenue). The Central Corridor Light Rail Line would fork off of the Hiawatha Line near the east side of the Metrodome.

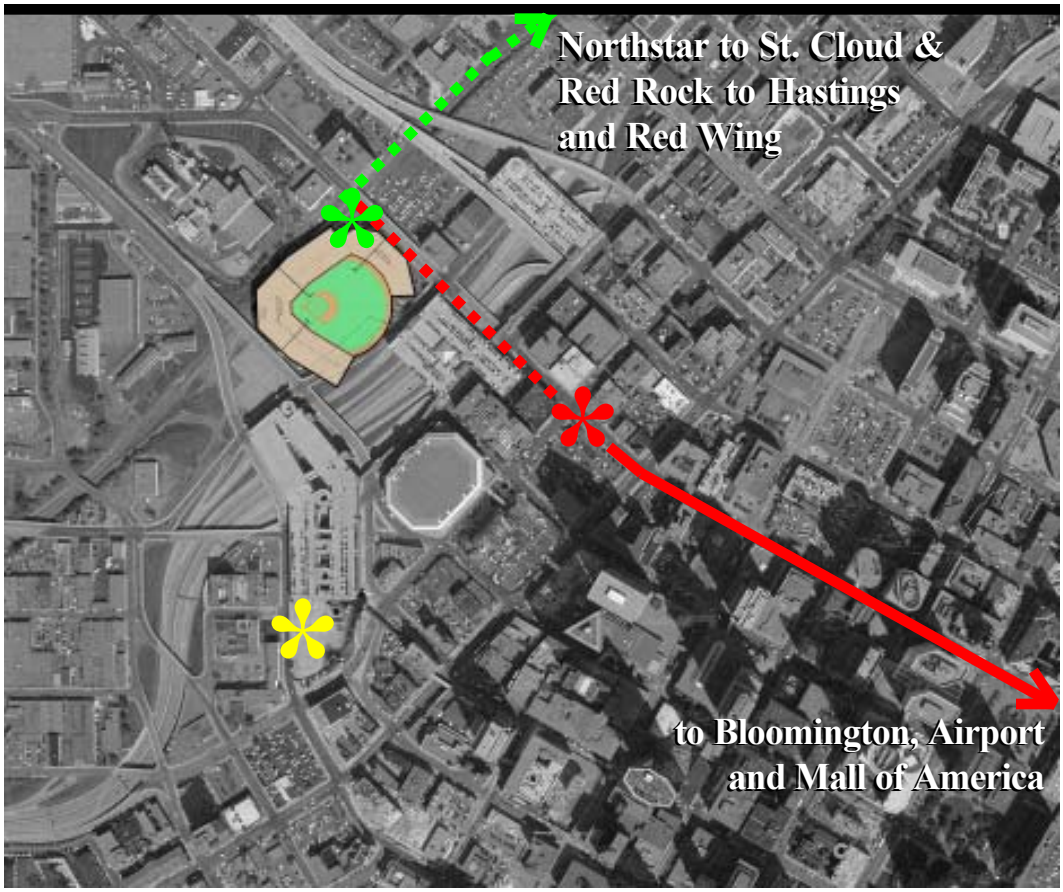
Bike Path

One unique feature of the Minneapolis Warehouse District Site is the ability to walk, jog, rollerblade or bike to the Site via the extensive trail system in the Metropolitan Area. Plans to expand these trails past the Ballpark Site are currently underway. Fans living in Hopkins, for example, would be able to "hop" on their bike and be at the Site in less than a half an hour.

Streetscape

The Minneapolis City Council has approved a plan, which would provide a most hospitable pedestrian environment that would encourage walking between the Metrodome, the new Ballpark, the Downtown Core, Nicollet Mall, and the Entertainment District.

Figure 9: Access to Greater Minnesota Source: Albersman & Armstrong, Ltd.



North

Legend:

- Light Rail Station
- Hawthorne Transportation Center (Greyhound/Jefferson)
- Commuter Rail Station
- Light Rail Line (LRT)
- Proposed LTR Extension
- Proposed Commuter Rail

The rapidly expanding Park & Ride system has long been used to transport employees to and from downtown, as well as to and from the State Fair. These facilities could also be employed to transport Twins fans from Park & Ride facilities in Eden Prairie, Eagan, Burnsville, and elsewhere. Likewise, the Park and Ride system will be utilized with Light Rail Transit to the Humphrey Terminal, Fort Snelling, and the Veteran's Hospital in South Minneapolis and Bloomington.

Site - 5. Stadium Related Development

The Committee's consultant HOK defined the "Stadium of the Future" to be:

- No longer a stand-alone building
- A platform to complete a city or fill gaps in a city
- Supports construction of new infrastructure
- Contains all the elements needed to sustain city life
- Includes residential, commercial, and retail

The Minneapolis Warehouse District Ballpark site hits a home run when served up with these criteria.

Development of sports facilities should complement existing and planned activity in the vicinity rather than expecting the ballpark to be the prime stimulus for new development. The Warehouse District site is just such a location.

The following are Park & Ride facilities that provide good express service to Downtown Minneapolis:

Maplewood Transit Center
Rosedale Transit Center
Eagan Transit Center
Mall of America
Southdale Transit Center
Southwest Station
Hopkins Transit Center
Plymouth Transit Center
Louisiana Ave. Trans. Center
Maple Grove Transit Center
Northtown Transit Center
Burnsville Transit Center
Apple Valley Transit Cemter
Foley Transit Center

"A new ballpark in this area will accelerate the pace of development that is already underway in the North Loop area of downtown Minneapolis."

Rick Collins,
Vice President
Ryan Construction

Ballpark patrons will be able to walk to the adjacent warehouse entertainment district, and along the Nicollet Mall located in downtown Minneapolis. The additional activity from the ballpark will make what is already Minnesota's premier entertainment area even better.

Ballpark patrons will be able to walk to the adjacent Warehouse Entertainment District, and along the Nicollet Mall, located in downtown Minneapolis. The additional activity from the Ballpark will make what is already Minnesota's premier entertainment area even better and connect this area's infrastructure from north and south and east and west.

Figure 10: Stadium Related Development Source: Albersman & Armstrong, Ltd.

East and Northeast of the Ballpark site: This neighborhood is intended to be mixed-use development similar to the Warehouse District. Several nearby development sites can include new commercial and residential spaces for those who seek to live and work within the entertainment district. Street-level retail is encouraged throughout the District, particularly in locations along North 5th Street leading to the ballpark.

North of the ballpark site: Ripe with major redevelopment opportunities and existing highway infrastructure, we can re-knit the physical environment of the surrounding neighborhoods into one another, while creating new development sites built above the existing ground plane on an at-grade level similar to the surrounding neighborhoods.

All of these sites would be woven together with parks and plazas that stretch from North Fifth Street to Washington Avenue North, helping to reconnect the Ballpark to the existing residential and entertainment districts along the Mississippi River.

Northwest of the ballpark site: Already substantially built out, the historic warehouse structures in this neighborhood will be preserved, with an emphasis on adaptive reuse of existing structures. They will be linked to these new areas by plazas and the flow of people.

"I'm 100% behind the Minneapolis Ballpark Plan. It will bring increased viability to an emerging economy in the Warehouse District."

Dorothy Bridges,
President
Franklin National Bank

West of the ballpark site: The North Fifth Street and Sixth Avenue North could be mixed-use development that houses commercial offices or development driven by transit service. Retail can stretch along Fifth Avenue North to create a connection between the new multi-modal station and the proposed Ballpark and the commercial development along Washington Avenue North. In the longer term, the far western reaches of North Fifth Street could be redeveloped to incorporate a new residential neighborhood.

Figure 11: Hiawatha Light Rail Route Source: DJR Architecture

Real estate experts and private property owners in the area already see the potential. From Bloomington along the LRT route, the opportunity for Team "trains" to the Ballpark and for businesses and residents along the line to benefit is substantial. Turning to the immediate Ballpark area, Rick Collins, Vice President of development for Ryan Companies said, "We (Ryan Companies) think that the Twinsville development concept (Figure 12) is one of the most exciting mixed use development opportunities that we will see over the next several years… we think that the end result could be one of the best mixed use developments ever done in this area, strengthening the retail and entertainment providers in the Minneapolis Warehouse District by bringing to the market additional CBD housing alternatives." Ryan Companies is a real estate development company that has completed over 700 design build projects in 120 cities in 12 states.

Figure 12: Twinsville Development Rendering Rendering by: Duncan Malloch

"Twinsville is a mixed use housing development that connects the North Loop, North Minneapolis, and Downtown communities while providing much needed affordable market rate housing that is highly transit accessible."

Dean Dovolis, AIA
Principal - CEO
DJR Architecture Inc.

Site - 6. Combined Location (Football and Baseball)

Although the County has taken no official action regarding a potential football stadium, the City believes a refurbished Metrodome can meet the needs of NFL fans and the Vikings. With a new Warehouse District Ballpark, the Twins and the Vikings would, in fact, be co-located. The new LRT stop at the Metrodome and existing Metrodome infrastructure is co-location at its most creative. LRT will quickly transport fans who arrive from and park in the Ballpark infrastructure described above. LRT's ability to adroitly adjust service capacity will allow game day Vikings "trains" from the Mall of America, all along the line, and from the Warehouse District. A refurbished Metrodome is cost-effective and co-located.

Financing

Hennepin County Financing Plan Overview

The Hennepin County Board has acted to proceed with the development of a ballpark provided the following major conditions are addressed and approved by the legislature. The following conditions are needed to fulfill the public policy requirements and the complex business aspects of this challenging transaction:

That appropriate revenue sources are authorized by the legislature at levels limited to pay for the estimated public requirements of the project; provided that the legislature selects the Minneapolis Warehouse site as the preferred location; the state provides a significant financial contribution; and the County gives the necessary statutory authorizations and the County negotiates satisfactory agreements with the team. Further, contracting for construction must include an aggressive best practices participation program for small, local, and women and minority owned businesses, and inclusion of women and people of color in contractor's workforces; the Twins must agree to a significant sharing with the public of the proceeds realized from a sale of the Team, or enhanced value; and that the Team offers a meaningful affordable seats program.

This proposal anticipates that the State, at the outset, designates Hennepin as the public entity that will do this Ballpark transaction, granting the legislative authorities and tools to do it, and then let Hennepin negotiate the specifics with the Team.

The basis for requesting designation by the State is twofold. First, to contemplate a process where the Team works with two or more municipalities provides the Team some leverage and will raise the overall public share of any transaction. Further, it will result in delaying implementation of any transaction, thereby raising the total cost simply due to inflation. For these reasons the public interests are best served by establishing an environment and process where the Team negotiates with one municipality, and the time necessary to complete this project is reduced.

And Hennepin is that municipality which should receive that exclusive designation to proceed. It is the only municipality that has an adequate tax base to do the local public share of the project. And Hennepin, with the City, has progressed further with selecting a feasible site to a point where a transaction can be negotiated around reasonably reliable costs, and construction completed in the shortest period of time. All of this results in lower costs and lower tax rates for the public.

The details of this transaction will take place in negotiations between the Team and Hennepin once the State has made the designation, and it is in that process where the final allocation of cost between the Team and public sector will be determined, and how new Ballpark revenues will be shared between the parties, keeping in mind that one goal is to enable the Twins to field a competitive team while protecting the public interest. It is anticipated that the Team will retain rights to the Ballpark revenues unless for tax purposes it is best retained by the public sector.

This financing proposal reflects a general allocation between the Team and Hennepin of the estimated construction cost of the Ballpark, with Hennepin assuming responsibility for site costs. The Twins must agree to a sharing arrangement in which the public would receive a significant amount of the proceeds, upon the sale of the Team or no later than the final payment of the bonds issued by Hennepin to finance the Ballpark.

However, the State is being requested to substantially participate in the cost of the project, recognizing professional sports as an activity that is enjoyed by residents throughout the State, and that a new Ballpark will be a costly undertaking. The Team and Hennepin would benefit proportionately from the State participation, without which the task of financing the additional amounts could prove to be an unreasonable sticking point. Hennepin is proposing that the State

contribute 20% of the estimated total construction cost of the project, which is approximately $100 million.

Regarding the public cost of the Ballpark, Hennepin is proposing to finance it primarily with tax exempt debt from general, countywide tax sources. This will result in substantial cost savings, currently estimated at $45 million in present value compared to a taxable financing. This tax exempt strategy necessitates the formation of a new public authority (hereinafter referred to as Ballpark Commission or BC) that will own the facility on behalf of the public, and lease it to the Team. The BC may also issue various forms of taxable debt, repaid from the Team or various Ballpark revenues, (secured by the Team/Owner), and potentially some construction loan debt (to be repaid by Team/Owner, with excess revenue from general countywide taxes further pledged to obtain low interest rates).

Regarding the tax exempt public bonds, Hennepin would be requesting authority to impose a variety of countywide taxes that, whether blended, staged or imposed singularly, would provide sufficient revenue to issue high quality, secure debt.

The countywide revenue sources Hennepin is requesting authority to impose is summarized on Page 20. Hennepin would be requesting authority to impose taxes adequate to service the debt, obtain high quality credit ratings and/or insurance, and to provide excess funding that would be used for site acquisition and some broad public needs as determined by the Hennepin County Board of Commissioners. These needs could include property tax relief as well as some public spending purposes. In total, this use would be limited to $10 million annually for all purposes contemplated. Further, some of the initial proceeds would be authorized for working capital needs of the BC and the construction fund.

Hennepin is proposing that it have authority to impose taxes prior to construction in order to reduce working capital costs. However, taxes would not be imposed until binding agreements with the Team have been executed, including a long-term lease with substantial no-escape provisions, all of which must be approved by Major League Baseball.

Hennepin looks forward to working with the State, the Team, City of Minneapolis and the business community to craft the legislation needed to implement this proposal.

Ownership and Management

This proposal anticipates a tax exempt financing structure for the Hennepin County Revenue Bonds. This tax exempt structure will require that the bond proceeds be granted to another public entity that the County does not control. It is anticipated that a public entity would be created. This entity could be called the Ballpark Commission (BC). The BC would have five members, two of the members would be appointed by the Governor, the Hennepin County Board would appoint two members including the chair, and the City of Minneapolis would appoint one member. The BC would have authority to hire an Executive Director with a small, professional management staff.

The County would grant, with conditions, the bond proceeds to the BC. The BC in conjunction with the Team would build and manage the Ballpark. Hennepin would have a representative participating in the design and construction of the Ballpark to provide input and oversight as to whether the facility represents a proper use of public funds and that its amenities, while addressing the public needs, do not exceed what is normal for similar facilities. The team would be responsible for any construction cost overruns of the ballpark.

The BC would lease the Ballpark to the Team in a non-cancelable lease. The lease would have a variety of specific performance requirements (to play Major League Baseball). If certain requirements are not met, the lease may require a change in the ownership of Team, subject to public approval. It is possible that the Team will request that the BC coordinate a conduit financing(s) that monetizes the future lease payments or other revenue streams. It is expected that

the Team would provide the credit to support any conduit financing(s).

The BC would also manage the future capital improvements that would be funded from the lease agreement with the Team. The BC would derive its operating revenue from rent payments.

Sources and Uses of Funds

Hennepin will request authority to impose countywide taxes to service the tax-exempt bonds that would be issued to finance the local, public costs of the project. Hennepin would request authority to impose taxes separately, or in some combination, that would fund 130% of estimated debt service, working capital, and contract for deed payments on site acquisition. The specific limitations on various revenue sources would be addressed in legislation submitted by Hennepin during the legislative session.

Hennepin's proposal looks to countywide revenue sources as the means to finance its estimated financial requirements under this proposal. However, should the Governors' Stadium Committee, or the State, endorse any proposal that utilizes metropolitan or regional taxes or other sources, the County proposal could be amended to incorporate such broader revenue sources.

It is currently estimated that the County would need to impose tax rates that produce approximately $25-27 million per year in annual revenue to finance the Hennepin proposal.

SOURCES AND USES STATEMENT

APPROXIMATE SOURCES OF CONSTRUCTION FUNDS:	
Team/ or Other private Sources *	$120M
State of Minnesota (20% of construction costs)	$100M
City of Minneapolis	$7M
(Charter limit less indirect costs) it is anticipated that Mpls. may use gameday parking revenues to fund this requirement	
Hennepin County Revenue Debt - net construction proceeds *	$263M
Total Construction Sources	**$490M**

* Subject to final negotiations between the Team and the County. In addition, the public must significantly participate in the proceeds, upon a sale of the team.

APPROXIMATE USES OF FUNDS:	
Ballpark Construction	$342M
Estimated Cost of Roof	$88M
Total Ballpark Construction Costs*	**$430M**
Other Site Improvements	$60M
Total Construction Costs	**$490M**
Land acquisition/issuance cost/debt reserve/bond insurance ballpark commission startup costs	$45M
Total Uses of Funds:	**$535**

Sizing of County Debt

Total Construction Costs	$490M
Land acquisition/issuance cost/debt reserve/bond insurance ballpark commission startup costs	$45M
Total Project Costs	**$535M**
Less	
Team/ or Other private Sources	$120M
State of Minnesota (20% of construction costs)	$100M
City of Minneapolis	$7M
Total County Debt Issuance *	**$308M**

*Estimated revenue to service the debt with appropriate coverage ratios would be approximately $25M to $27M per year.

POTENTIAL ANNUAL SOURCES OF REVENUE

Potential Sources	Countywide
Lodging Tax(.1%)	$ 590,000
Food and On-Sale Liquor Tax (.1%)	$ 1,550,000
General Sales Tax (.1%)	$ 15,700,000

It is anticipated that the County would be provided with a menu of revenue options capped by the legislature. The County would then choose the revenue sources required to yield no more that 130% of debt service requirements. The 130% would provide for a coverage ratio on the bonds, funds to pay for a land acquisition contract for deed, and other financing and working capital needs.

This proposal is for Countywide taxes, if other proposals using metropolitian or regional taxes or other sources are endorsed by the Govenor's Committee or by the State, the County proposal could be amended to incorporate such broader revenue sources.

Local Government and Community Support

Hennepin County and the City of Minneapolis have adopted resolutions supporting the Warehouse District Ballpark Site. Copies have been provided to the Committee.

Civic leadership groups representing over 2,500 organizations and thousands of employees, customers, and visitors have endorsed the Minneapolis Warehouse District Ballpark Site, including:

BOMA-Minneapolis
Crowne Plaza Northstar
Doubletree Guest Suites
Embassy Suites Hotel-Downtown Minneapolis
Greater Minneapolis Convention and Visitors Association
Hennepin Avenue Advisory Board
Historic Theater Group
Honeywell
Hubert White
Marquette Hotel
MARSH USA, Inc.
Minneapolis Downtown Council
Minneapolis Hotel Association
Minneapolis Marriott City Center Hotel
Minneapolis Regional Chamber of Commerce
Minneapolis-Saint Paul Magazine
Park and Shop/Loop Parking
Radission Plaza Hotel
Warehouse District Business Association