



## Request for City Council Committee Action from the MCDA Operating Committee and the Department of Community Planning & Economic Development

Date: September 26, 2006

To: Council Member, Lisa Goodman, Community Development Committee

Referral to: MCDA Board

**Subject:** Target Center Zamboni Use Agreement with Minneapolis Park Board

**Recommendation:** City Council forward this report to the MCDA Board of Commissioners requesting approval to authorize staff to enter into an agreement for use, storage, maintenance and transportation of the Target Center zamboni.

**Previous Directives:** On March 10, 1995, the City Council and Board of Commissioners approved the terms of the Target Center Purchase Agreement and related Lease and financing documents, and the issuance of \$72,000,000 in City of Minneapolis General Obligation Bonds and \$12,650,000 in MCDA Subordination Revenue Bonds. Included with the purchase of the Target Center was one zamboni.

Prepared by: Jerome Patton

Approved by: Chuck Lutz, Deputy CPED Director

Mike Christenson, Director Economic Policy & Development

Presenters in Committee: Jerome Patton

### Financial Impact

- No financial impact

### Community Impact

- Neighborhood Notification – N/A
- City Goals – A Premier Destination - Leverage Our Entertainment Edge ... Heck, Be Edgy!
- Comprehensive Plan - 3.2 – The Target Center is one of the cultural amenities that make Downtown Minneapolis the entertainment and cultural capital of the region.
- Zoning Code – N/A
- Other – Sharing the zamboni with the Park Board presents an efficient partnership and fosters goodwill between the City of Minneapolis and the Park Board.

## Supporting Information

The Target Center zamboni and a variety of other equipment is owned by the MCDA and leased to Midwest Entertainment Group (MEG) per the terms of the Arena Lease Operating, Management Use, and Assurances Agreement. Included among the responsibilities of MEG under this agreement is the storage and maintenance of the zamboni. Because the zamboni is used infrequently at the Target Center, only two or three times per year, both the MCDA and MEG would like to store the zamboni elsewhere.

The Minneapolis Park and Recreation Board (MPRB) has expressed interest in storing, maintaining and using the zamboni at the Parade Ice Garden, a facility owned and operated by the MPRB.

Both the MCDA and MEG would like to take advantage of the additional storage space and cost reduction associated with the MPRB offer to store, maintain and transport the zamboni at its facility instead of requiring MEG to do so at the Target Center.

Major terms include:

- 5 year contract with options to renew;
- MCDA will have no maintenance cost responsibility;
- MPRB will hold workers compensation, commercial liability, automotive liability, and general property insurance;
- MEG and MPRB agrees to defend, indemnify, and hold the City harmless;
- MPRB agrees to pay all associated transportation costs;
- The City (ultimately) holds MEG responsible for having the appropriate equipment at the Target Center to efficiently and effectively run the Arena.