

Target Center Implementation Committee

Monday, December 9, 2013
Minneapolis City Hall, Room 319
Minneapolis, MN 55415
2:30 – 4:00 p.m.

Meeting Minutes

Members Present: Chair Jerry Bell, City Council President Barbara Johnson, Council Member John Quincy, Steve Benson, Kevin Dooley, Kelly Doran, Devon George, Joanne Kaufman, Fred Krohn, Dan McConnell, Karen Rosar, Brian Woolsey

Members Excused: Council Member Elizabeth Glidden, Council Member Lisa Goodman, Tim Baylor, Pat Denzer, David Evelo, Archie Givens, Andrew Parker

Consultants/Guests Present: Nick Koch, Dick Strassburg, Naomi Burchett, Steve Mattson, Greg Franzen, Jon Buggy, Nancy Martel, David Loehr, Brian Kimmes, Ted Johnson, Dan Kenney

City Staff Present: Jeremy Hanson Willis, Jeff Johnson, Bob Lind

- 1. Welcome and Introductions** – The meeting was called to order at 2:40 p.m. by Chair Jerry Bell who welcomed those present to the meeting.

Chair Bell said that after a delay of almost a year, there is good news and bad news for this Committee. The good news is that the City has committed an additional \$50 million for Phase 2; the bad news is that construction and other costs have risen.

Mayor Rybak thanked the parties involved in negotiating the agreement, adding that while it was not contentious it was complicated; the delay was necessary because negotiations had to be right. Mayor Rybak thanked them as well as the Committee members for their efforts.

- 2. Renovation Scope, Financing and Management Agreement**

Jeremy Hanson Willis presented the benefits of the renovation agreement that was reached in close partnership with the Timberwolves|Lynx (Team) and AEG. Benefits of renovation include:

- Significant economic impact to the City – 850 construction jobs, 700 ongoing jobs, and thousands more jobs in the vicinity of Target Center
- Solves a longstanding problem of a city building in need of repair
- Sustainable, practical alternative to building a new arena
- Extends the city's partnership with the Team and AEG; AEG will have the potential for a better return on investment, being able to bring in larger/more acts

The total renovation project cost is approximately \$97 million. The Team and AEG have extended their contracts almost twenty years, to 2032. This is a 50/50 public/private investment, with contributions as follows: City \$48.5M (50%), Team \$43M (44.3%) and AEG \$5.5M (5.7%). In addition, the City has pledged \$50M over the next 20 years for ongoing capital improvements and maintenance.

The projected budget that came out of the agreement is separated into several broad categories:

- Building Operations and Back of House (stage relocation, energy conservation) - \$6,404,500
- Fan/Public spaces (box office/lobby, stairwells, concourses, new skyway connection at the southwest corner, renovating and adding bathrooms, renovating food courts and concessions, and bowl seating) - \$27,209,400
- Premium Spaces and Suites (new club spaces on levels 1 and 2, club space improvements on levels 4 and 5) - \$13,929,600
- Team locker rooms and facilities - \$933,000
- Outside building shell (outdoor media mesh and signage) - \$13,500,000
- Technology (sound, acoustics, scoreboard, ribbon board, control room) - \$16,600,000
- Contingency, fees, consultants, etc. - \$18,206,000

More resources will go to the inside of the building than the outside. On the outside, efforts will be made to create a 360 degree experience with a focus on the bottom third/streetscape, particularly on the north side. There is a strong possibility that the Team will be moving their practice facilities to Block E, which will free up space on the lower level and on the second floor of Target Center which currently houses the Team's administrative offices.

To formalize the partnership, an Arena Design Group has been formed. It is composed of three members appointed by the City (Jeremy Hanson Willis, Jeff Johnson and Steve Mattson) and three appointed by the Timberwolves. This group will guide and manage the project, with responsibility for making recommendations to the City Council and Mayor for selecting the architect and construction manager. It will also recommend minimum design standards, arena construction plans, and ongoing capital investments.

When questioned about the hierarchy and involvement of the Implementation Committee, Mayor Rybak clarified that this group is needed to give input and must be aggressive about making recommendations. Mr. Hanson Willis added that the Design Group will make recommendations with input from this Committee on design decisions.

Committee Member Karen Rosar asked about efforts to involve disadvantaged businesses in this project. Mr. Hanson Willis replied that minority and women-owned businesses will be invited to submit proposals not only for the building project but also consulting and ongoing work. Velma Korbel, Director of Civil Rights for the City of Minneapolis, made several recommendations on this point at the January 17 meeting.

3. Role of Implementation Committee

Tegra Group has been selected as the owners representative to handle day-to-day operations and task management. Dick Strassburg, a partner with Tegra Group, said they are based in Minneapolis and past projects include the Walker Art Center, Target Field, Children's Hospital and American Swedish Institute.

They will draft RFPs for the architect and construction manager. Work is just getting underway to structure the project, creating organizational charts, designating responsibilities, developing public relations, communication protocols and a spokesperson who will deliver a consistent message.

The primary role of the Implementation Committee will be to provide input to the Design Group and the City in the design phase of the renovation, including selection of the architect and construction manager, public realm and urban context, and building facades and entrances. We will be setting the stage for the next twenty years so this must be a thoughtful

process. Target Center is a large structure; we need to look at how it fits into the City and streetscape, and set the pace on what takes place going forward.

4. Overview of Timing and Next Steps

Tegra will initiate the process to select the architect and construction manager. The design phase will take 3-6 months, and construction is expected to begin in mid-2014.

Subsequent discussion involved contracting and subcontracting for various tasks; requiring insurance instead of bonding because it costs less and is more flexible, giving smaller contractors the opportunity to participate; and a competitive bid process for selecting general contractor, with the possibility that they will drop prices for the opportunity to work on this project.

RFPs for architect and construction manager will be out by the end of the year or in early January 2014. It is estimated that the process of getting City approval will take two months, so they are hoping to have these in place by March 1st.

The Implementation Committee represents the broader community, so it will be important to have information provided to them. It is recommended that the Committee meet monthly. The four meetings that have been scheduled in 2014 are tentative, depending on the city council schedule and other action; the meeting schedule will be confirmed after January 1st. The biggest emphasis will be on design. Also, construction will affect the immediate neighborhood, closing down certain areas and sidewalks.

5. Draft Design Principles

Chair Bell referenced the Draft Design Principles established by this Committee a year ago, and asked that they be sent to Committee members again. He reiterated that it is important for the Arena Design Group to understand our thinking before they design; more quality information agreed to at the front end will make for a smoother process. He then invited Committee members present to name the key points they want addressed by this project.

Council President Barb Johnson: Target Center is missing a sense of what is going on inside, the performers who are coming.

Mayor Rybak: Agreed with CP Johnson that there needs to be more information at street level, perhaps tying in with Meet Minneapolis to have different downtown buildings working together, and outdoor electronic signage to inform people what is going on downtown at night.

Jerry Bell: Open it up more visually, resulting in greater excitement, public safety. The corner is too junked up with advertising; less would be more. Wants to see more glass.

Karen Rosar: Indicate what is going, outside on the street level and in the skyway.

Devean George: Entrance is boring, not inviting. When you step into the lobby it should be an experience, with will-call off to the side, not walking into lines of people as you do currently.

Joanne Kaufman: Entrance is dark, with low archways. Warehouse District would like construction to be least disruptive as possible to nearby businesses.

Council Member Quincy: Create a 360 degree experience. Link Target Center to Target Field.

Steve Benson: There should be activity in the building even when there is no scheduled programming.

Kelly Doran: Develop renderings showing more glass, a rotunda or atrium, showing the changes that are coming. Wondered if Lifetime has expressed interest in making changes; Mr. Hanson Willis replied that they have and have offered advice.

Mayor Rybak: Wants to change the entrance to really make a statement. Proposed that the lobby contain a restaurant or retail space that people could go to that would be open on non-game days. Added that Lifetime is a national chain, a major health club that a lot of people don't know is there. Perhaps they would be interested in moving their entrance mid-block, and opening a restaurant or store in the lobby.

Chair Bell said that along with design principles and selection of architect and construction manager, the Implementation Committee should be looking at this significant piece of neighborhood, including Block E and the parking lot across from the Loon Café. We should develop a vision of what could be, maybe in Phase 2 or Phase 3. Mayor Rybak added that with the renovation of Nicollet Mall, there is a proposal for Seventh Street to remove one lane of traffic, creating a bus station "island" underneath the skyway which will be separated from the sidewalk by a bike lane.

In conclusion, Chair Bell invited Committee members to review the [Draft Design Principles](#) and bring ideas to the next meeting. He invited those representing various groups, i.e. the North Loop, to query their members to see what they would like to see.

6. Adjournment. The meeting was adjourned at 3:45 p.m.