

1.1 A bill for an act

1.2 relating to stadiums; providing alternative plans for a new National Football
1.3 League stadium in Minnesota; establishing the Minnesota Stadium Authority;
1.4 abolishing the Metropolitan Sports Facilities Commission; amending Minnesota
1.5 Statutes 2008, sections 13.55, subdivision 1; 297A.71, by adding a subdivision;
1.6 352.01, subdivision 2a; 473.121, subdivision 5a; 473.164; 473.551, by adding
1.7 subdivisions; 473.552; 473.553, subdivisions 2, 3; 473.556, subdivision 5;
1.8 473.561; 473.581, subdivision 2; 473.5995, by adding a subdivision; Minnesota
1.9 Statutes 2009 Supplement, sections 3.971, subdivision 6; 10A.01, subdivision
1.10 35; 340A.404, subdivision 1; Laws 1986, chapter 396, section 4, subdivision
1.11 3; proposing coding for new law in Minnesota Statutes, chapters 349A; 473;
1.12 proposing coding for new law as Minnesota Statutes, chapter 473J; repealing
1.13 Minnesota Statutes 2008, sections 137.50, subdivision 5; 473.551; 473.552;
1.14 473.553, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13; 473.564, subdivisions
1.15 2, 3; 473.5995; 473.755; 473.76; 473.763.

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

1.17 **ARTICLE 1**

1.18 **MINNESOTA STADIUM AUTHORITY**

1.19 Section 1. Minnesota Statutes 2009 Supplement, section 3.971, subdivision 6, is
1.20 amended to read:

1.21 Subd. 6. **Financial audits.** The legislative auditor shall audit the financial
1.22 statements of the state of Minnesota required by section 16A.50 and, as resources permit,
1.23 shall audit Minnesota State Colleges and Universities, the University of Minnesota, state
1.24 agencies, departments, boards, commissions, courts, and other state organizations subject
1.25 to audit by the legislative auditor, including the State Agricultural Society, Agricultural
1.26 Utilization Research Institute, Enterprise Minnesota, Inc., Minnesota Historical
1.27 Society, Labor Interpretive Center, Minnesota Partnership for Action Against Tobacco,
1.28 Metropolitan Sports Facilities Commission, Minnesota Stadium Authority, Metropolitan

S.F. No. 3399, as introduced - 86th Legislative Session (2009-2010) [10-6394]

2.1 Airports Commission, and Metropolitan Mosquito Control District. Financial audits
2.2 must be conducted according to generally accepted government auditing standards. The
2.3 legislative auditor shall see that all provisions of law respecting the appropriate and
2.4 economic use of public funds are complied with and may, as part of a financial audit or
2.5 separately, investigate allegations of noncompliance.

2.6 Sec. 2. Minnesota Statutes 2009 Supplement, section 10A.01, subdivision 35, is
2.7 amended to read:

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

2.9 (1) member of the legislature;

2.10 (2) individual employed by the legislature as secretary of the senate, legislative
2.11 auditor, chief clerk of the house of representatives, revisor of statutes, or researcher,
2.12 legislative analyst, or attorney in the Office of Senate Counsel and Research or House
2.13 Research;

2.14 (3) constitutional officer in the executive branch and the officer's chief administrative
2.15 deputy;

2.16 (4) solicitor general or deputy, assistant, or special assistant attorney general;

2.17 (5) commissioner, deputy commissioner, or assistant commissioner of any state
2.18 department or agency as listed in section 15.01 or 15.06, or the state chief information
2.19 officer;

2.20 (6) member, chief administrative officer, or deputy chief administrative officer of a
2.21 state board or commission that has either the power to adopt, amend, or repeal rules under
2.22 chapter 14, or the power to adjudicate contested cases or appeals under chapter 14;

2.23 (7) individual employed in the executive branch who is authorized to adopt, amend,
2.24 or repeal rules under chapter 14 or adjudicate contested cases under chapter 14;

2.25 (8) executive director of the State Board of Investment;

2.26 (9) deputy of any official listed in clauses (7) and (8);

2.27 (10) judge of the Workers' Compensation Court of Appeals;

2.28 (11) administrative law judge or compensation judge in the State Office of
2.29 Administrative Hearings or unemployment law judge in the Department of Employment
2.30 and Economic Development;

2.31 (12) member, regional administrator, division director, general counsel, or operations
2.32 manager of the Metropolitan Council;

2.33 (13) member or chief administrator of a metropolitan agency;

2.34 (14) director of the Division of Alcohol and Gambling Enforcement in the
2.35 Department of Public Safety;

S.F. No. 3399, as introduced - 86th Legislative Session (2009-2010) [10-6394]

- 3.1 (15) member or executive director of the Higher Education Facilities Authority;
- 3.2 (16) member of the board of directors or president of Enterprise Minnesota, Inc.;
- 3.3 (17) member of the board of directors or executive director of the Minnesota State
- 3.4 High School League;
- 3.5 (18) member of the Minnesota Ballpark Authority established in section 473.755;
- 3.6 (19) citizen member of the Legislative-Citizen Commission on Minnesota Resources;
- 3.7 (20) manager of a watershed district, or member of a watershed management
- 3.8 organization as defined under section 103B.205, subdivision 13;
- 3.9 (21) supervisor of a soil and water conservation district;
- 3.10 (22) director of Explore Minnesota Tourism; ~~or~~
- 3.11 (23) citizen member of the Lessard-Sams Outdoor Heritage Council established in
- 3.12 section 97A.056; or
- 3.13 (24) member or chief executive of the Minnesota Stadium Authority, established
- 3.14 in section 473J.05.

3.15 Sec. 3. Minnesota Statutes 2008, section 297A.71, is amended by adding a subdivision
3.16 to read:

3.17 Subd. 42. **Football stadium building materials.** Materials and supplies used or
3.18 consumed in, and equipment incorporated into, the construction or improvement of the
3.19 stadium and public infrastructure constructed pursuant to chapter 473J are exempt. This
3.20 subdivision expires one year after the date that the first National Football League game is
3.21 played in the stadium for materials, supplies, and equipment used in the stadium, and five
3.22 years after the issuance of the first bonds under section 473J.15 for materials, supplies,
3.23 and equipment used in the public infrastructure.

3.24 Sec. 4. Minnesota Statutes 2009 Supplement, section 340A.404, subdivision 1, is
3.25 amended to read:

3.26 Subdivision 1. **Cities.** (a) A city may issue an on-sale intoxicating liquor license to
3.27 the following establishments located within its jurisdiction:

- 3.28 (1) hotels;
- 3.29 (2) restaurants;
- 3.30 (3) bowling centers;
- 3.31 (4) clubs or congressionally chartered veterans organizations with the approval of
- 3.32 the commissioner, provided that the organization has been in existence for at least three
- 3.33 years and liquor sales will only be to members and bona fide guests, except that a club

4.1 may permit the general public to participate in a wine tasting conducted at the club under
4.2 section 340A.419;

4.3 (5) sports facilities located on land owned or leased by the Minnesota Stadium
4.4 Authority;

4.5 ~~(5)~~ (6) sports facilities located on land owned by the Metropolitan Sports
4.6 Commission; and

4.7 ~~(6)~~ (7) exclusive liquor stores.

4.8 (b) A city may issue an on-sale intoxicating liquor license, an on-sale wine license,
4.9 or an on-sale malt liquor license to a theater within the city, notwithstanding any law, local
4.10 ordinance, or charter provision. A license issued under this paragraph authorizes sales on
4.11 all days of the week to persons attending events at the theater.

4.12 (c) A city may issue an on-sale intoxicating liquor license, an on-sale wine license,
4.13 or an on-sale malt liquor license to a convention center within the city, notwithstanding
4.14 any law, local ordinance, or charter provision. A license issued under this paragraph
4.15 authorizes sales on all days of the week to persons attending events at the convention
4.16 center. This paragraph does not apply to convention centers located in the seven-county
4.17 metropolitan area.

4.18 Sec. 5. Minnesota Statutes 2008, section 352.01, subdivision 2a, is amended to read:

4.19 Subd. 2a. **Included employees.** (a) "State employee" includes:

4.20 (1) employees of the Minnesota Historical Society;

4.21 (2) employees of the State Horticultural Society;

4.22 (3) employees of the Minnesota Crop Improvement Association;

4.23 (4) employees of the adjutant general who are paid from federal funds and who are
4.24 not covered by any federal civilian employees retirement system;

4.25 (5) employees of the Minnesota State Colleges and Universities employed under the
4.26 university or college activities program;

4.27 (6) currently contributing employees covered by the system who are temporarily
4.28 employed by the legislature during a legislative session or any currently contributing
4.29 employee employed for any special service as defined in subdivision 2b, clause (8);

4.30 (7) employees of the legislature appointed without a limit on the duration of their
4.31 employment and persons employed or designated by the legislature or by a legislative
4.32 committee or commission or other competent authority to conduct a special inquiry,
4.33 investigation, examination, or installation;

5.1 (8) trainees who are employed on a full-time established training program
5.2 performing the duties of the classified position for which they will be eligible to receive
5.3 immediate appointment at the completion of the training period;

5.4 (9) employees of the Minnesota Safety Council;

5.5 (10) any employees on authorized leave of absence from the Transit Operating
5.6 Division of the former Metropolitan Transit Commission who are employed by the
5.7 labor organization which is the exclusive bargaining agent representing employees of
5.8 the Transit Operating Division;

5.9 (11) employees of the Metropolitan Council, Metropolitan Parks and Open Space
5.10 Commission, Metropolitan Sports Facilities Commission, Metropolitan Mosquito Control
5.11 Commission, or Metropolitan Radio Board unless excluded or covered by another public
5.12 pension fund or plan under section 473.415, subdivision 3;

5.13 (12) judges of the Tax Court;

5.14 (13) personnel employed on June 30, 1992, by the University of Minnesota in the
5.15 management, operation, or maintenance of its heating plant facilities, whose employment
5.16 transfers to an employer assuming operation of the heating plant facilities, so long as the
5.17 person is employed at the University of Minnesota heating plant by that employer or by its
5.18 successor organization;

5.19 (14) seasonal help in the classified service employed by the Department of Revenue;

5.20 (15) persons employed by the Department of Commerce as a peace officer in
5.21 the Insurance Fraud Prevention Division under section 45.0135 who have attained the
5.22 mandatory retirement age specified in section 43A.34, subdivision 4;

5.23 (16) employees of the University of Minnesota unless excluded under subdivision
5.24 2b, clause (3);

5.25 (17) employees of the Middle Management Association whose employment began
5.26 after July 1, 2007, and to whom section 352.029 does not apply; ~~and~~

5.27 (18) employees of the Minnesota Government Engineers Council to whom section
5.28 352.029 does not apply; and

5.29 (19) employees of the Minnesota Stadium Authority.

5.30 (b) Employees specified in paragraph (a), clause (13), are included employees under
5.31 paragraph (a) if employer and employee contributions are made in a timely manner in the
5.32 amounts required by section 352.04. Employee contributions must be deducted from
5.33 salary. Employer contributions are the sole obligation of the employer assuming operation
5.34 of the University of Minnesota heating plant facilities or any successor organizations to
5.35 that employer.

6.1 Sec. 6. [473J.01] PURPOSE.

6.2 The purpose of this chapter is to provide for the construction, financing, and
6.3 long-term use of a stadium primarily as a venue for professional football. The legislature
6.4 finds and declares that the expenditure of public money for this purpose is necessary and
6.5 serves a public purpose, and that property acquired by the Minnesota Stadium Authority
6.6 for the construction of the stadium and related public infrastructure is acquired for a public
6.7 use or public purpose under chapter 117. The legislature further finds and declares that
6.8 any provision in a lease or use agreement with a professional football team that requires
6.9 the team to play its home games in a publicly funded stadium for the duration of the
6.10 lease or use agreement serves a unique public purpose for which the remedies of specific
6.11 performance and injunctive relief are essential to its enforcement. The legislature further
6.12 finds and declares that government assistance to facilitate the presence of professional
6.13 football provides to the state of Minnesota and its citizens highly valued intangible
6.14 benefits that are virtually impossible to quantify and, therefore, not recoverable even if
6.15 the government receives monetary damages in the event of a team's breach of contract.
6.16 Minnesota courts are, therefore, charged with protecting those benefits through the use
6.17 of specific performance and injunctive relief as provided in this chapter and in the lease
6.18 and use agreements.

6.19 Sec. 7. [473J.03] DEFINITIONS.

6.20 Subdivision 1. **Application.** For the purposes of this chapter, the terms defined in
6.21 this section have the meanings given them, except as otherwise expressly provided or
6.22 indicated by the context.

6.23 Subd. 2. **Authority.** "Authority" means the Minnesota Stadium Authority
6.24 established under section 473J.07.

6.25 Subd. 3. **City.** "City" means the city in which the stadium is located.

6.26 Subd. 4. **County.** "County" means the county in which the stadium is located.

6.27 Subd. 5. **Development area.** "Development area" means the stadium site and
6.28 adjacent area, as specified by the city or county in the final agreement with the authority.

6.29 Subd. 6. **Stadium.** "Stadium" means the stadium suitable for professional football
6.30 to be designed, constructed, and financed under this chapter.

6.31 Subd. 7. **Stadium costs.** "Stadium costs" means the costs of designing, constructing,
6.32 and equipping a stadium suitable for professional football.

6.33 Subd. 8. **Public infrastructure.** "Public infrastructure" means all property,
6.34 facilities, and improvements determined by the authority to facilitate the development and
6.35 use of the stadium, including but not limited to property and improvements for drainage,

7.1 environmental remediation, parking, roadways, walkways, skyways, pedestrian bridges,
7.2 bicycle paths, and transit improvements to facilitate public access to the stadium, lighting,
7.3 landscaping, utilities, streets, and streetscapes.

7.4 Subd. 9. **Streetscape.** "Streetscape" means improvements to streets and sidewalks
7.5 or other public rights-of-way for the purpose of enhancing the movement, safety,
7.6 convenience, or enjoyment of stadium patrons and other pedestrians, including decorative
7.7 lighting and surfaces, plantings, display and exhibit space, adornments, seating, and
7.8 transit and bus shelters.

7.9 Subd. 10. **Team.** "Team" means the owner and operator of the professional football
7.10 team known as of the effective date of this chapter as the Minnesota Vikings or any team
7.11 owned and operated by someone who purchases or otherwise takes ownership or control
7.12 of or reconstitutes the professional football team known as the Minnesota Vikings.

7.13 Sec. 8. **[473J.07] MINNESOTA STADIUM AUTHORITY.**

7.14 Subdivision 1. **Established.** To achieve the purposes of this chapter, the Minnesota
7.15 Stadium Authority is established as a public body, corporate and politic, and political
7.16 subdivision of the state.

7.17 Subd. 2. **Membership; appointment; terms.** (a) The Minnesota Stadium Authority
7.18 consists of 13 members appointed by the governor, one from each region defined in
7.19 section 462.385, subdivision 1. Each member must be a resident of the region represented.

7.20 (b) The terms of the members from regions 1, 3, 5, 7E, 7W, and 9 expire on January
7.21 1, 2012. The terms of the members from regions 2, 4, 6E, 6W, 8, 10, and 11 expire on
7.22 January 1, 2014. A member serves until a successor has been appointed and taken the
7.23 office. The successors of each member must be appointed to four-year terms.

7.24 (c) Before making an appointment, the governor shall consult with each member
7.25 of the legislature from the region for which the member is to be appointed, to solicit the
7.26 legislator's recommendation on the appointment.

7.27 (d) While the location of the stadium is being determined, a member of the authority
7.28 must not serve as an elected or appointed official of a political subdivision in which the
7.29 stadium may be located. After a stadium site has been determined, a member must not
7.30 serve as an elected or appointed official of any political subdivision in which the stadium
7.31 is located.

7.32 Subd. 3. **Chair.** At the first meeting of the authority, the authority shall elect a chair
7.33 from among the authority members to serve until December 31 of that year. After that,
7.34 the authority shall elect a chair from among the authority members to serve a one-year
7.35 term beginning on January 1 of the following year. The chair presides at all meetings

8.1 of the authority, if present, and performs all other assigned duties and functions. The
8.2 authority may appoint from among its members a vice-chair to act for the chair during the
8.3 temporary absence or disability of the chair.

8.4 Subd. 4. **Removal.** A member, including the chair, may be removed by the
8.5 appointing authority for misfeasance, malfeasance, or nonfeasance in office, upon written
8.6 charges and after an opportunity to be heard in defense of the charges.

8.7 Subd. 5. **Bylaws.** The authority shall adopt bylaws to establish rules of procedure,
8.8 the powers and duties of its officers, and other matters relating to the governance of the
8.9 authority and the exercise of its powers. Except as provided in this section, the bylaws
8.10 adopted under this subdivision must be similar in form and substance to bylaws adopted
8.11 by the Metropolitan Sports Facilities Commission pursuant to Minnesota Statutes 2008,
8.12 section 473.553.

8.13 Subd. 6. **Audit.** The legislative auditor shall audit the books and accounts of the
8.14 authority once each year or as often as the legislative auditor's funds and personnel permit.
8.15 The authority shall pay the total cost of the audit pursuant to section 3.9741.

8.16 Subd. 7. **Executive director; employees.** Within 30 days of the first meeting of the
8.17 members, the authority shall appoint an executive director to serve as the chief executive
8.18 officer of the authority. The executive director serves at the pleasure of the authority and
8.19 receives compensation as determined by it. The executive director is responsible for the
8.20 operation, management, and promotion of activities of the authority, as prescribed by the
8.21 authority. The executive director has the powers necessarily incident to the performance
8.22 of duties required and powers granted by the authority, but does not have authority
8.23 to incur liability or make expenditures on behalf of the authority without general or
8.24 specific directions by the authority, as shown by the bylaws or minutes of a meeting of the
8.25 authority. The executive director is responsible for hiring, supervision, and dismissal of all
8.26 other employees of the authority.

8.27 Subd. 8. **Web site.** The authority shall establish a Web site for purposes of
8.28 providing information to the public concerning all actions taken by the authority. At a
8.29 minimum, the Web site must contain a current version of the authority's bylaws, notices
8.30 of upcoming meetings, minutes of the authority's meetings, and contact telephone and
8.31 facsimile numbers for public comments.

8.32 **Sec. 9. [473J.09] POWERS, DUTIES OF THE AUTHORITY.**

8.33 Subdivision 1. **Stadium location.** The Minnesota Stadium Authority shall
8.34 determine the location of the stadium as provided in section 473J.11.

9.1 Subd. 2. **Actions.** The authority may sue and be sued. The authority is a public body
9.2 and the stadium and public infrastructure are public improvements within the meaning of
9.3 chapter 562. The authority is a municipality within the meaning of chapter 466.

9.4 Subd. 3. **Acquisition of property.** The authority may acquire from any public or
9.5 private entity by lease, purchase, gift, or devise all necessary right, title, and interest in
9.6 and to real property, air rights, and personal property deemed necessary to the purposes
9.7 contemplated by this chapter.

9.8 Subd. 4. **Disposition of property.** The authority may sell, lease, or otherwise
9.9 dispose of any real or personal property acquired by the authority that is no longer required
9.10 for accomplishment of the authority's purposes. The property may be sold in accordance
9.11 with the procedures provided by section 469.065, except subdivisions 6 and 7, to the
9.12 extent the authority deems it to be practical and consistent with this chapter. Title to the
9.13 stadium must not be transferred or sold prior to the effective date of enactment of any
9.14 legislation approving such transfer or sale.

9.15 Subd. 5. **Data practices; open meetings.** Except as otherwise provided in this
9.16 chapter, the authority is subject to chapters 13 and 13D.

9.17 Subd. 6. **Facility operation.** The authority may equip, improve, operate, manage,
9.18 maintain, and control the stadium and related facilities constructed, remodeled, or acquired
9.19 under this chapter, subject to the rights and obligations transferred to and assumed by the
9.20 team or other user under the terms of a lease or use agreement, but in no case may a lease
9.21 or use agreement permit smoking in the stadium.

9.22 Subd. 7. **Employees; contracts for services.** The authority may employ persons
9.23 and contract for services necessary to carry out its functions, including the utilization of
9.24 employees and consultants retained by other governmental entities. The authority shall
9.25 enter into an agreement with the city and county regarding traffic control for the stadium.

9.26 Subd. 8. **Gifts, grants.** The authority may accept monetary contributions, property,
9.27 services, and grants or loans of money or other property from the United States, the state,
9.28 any subdivision of the state, any agency of those entities, or any person for any of its
9.29 purposes, and may enter into any agreement required in connection with the gifts, grants,
9.30 or loans. The authority shall hold, use, and dispose of the money, property, or services
9.31 according to the terms of the monetary contributions, grant, loan, or agreement.

9.32 Subd. 9. **Use agreements.** The authority may lease, license, or enter into use
9.33 agreements and may fix, alter, charge, and collect rentals, fees, and charges for the use,
9.34 occupation, and availability of part or all of any premises, property, or facilities under
9.35 its ownership, operation, or control for purposes that will provide athletic, educational,
9.36 cultural, commercial, or other entertainment, instruction, or activity for the citizens of

10.1 Minnesota and visitors. The use agreement may provide that the other contracting party
10.2 has exclusive use of the premises at the times agreed upon, as well as the right to retain
10.3 some or all revenues from ticket sales, suite licenses, concessions, advertising, naming
10.4 rights, and other revenues derived from the stadium. The lease or use agreement with a
10.5 team must provide for the payment by the team of an agreed upon portion of operating
10.6 and maintenance costs and expenses and provide other terms in which the authority and
10.7 team agree.

10.8 Subd. 10. **Research.** The authority may conduct research studies and programs;
10.9 collect and analyze data; prepare reports, maps, charts, and tables; and conduct all
10.10 necessary hearings and investigations in connection with its functions.

10.11 Subd. 11. **Insurance.** The authority may require any employee to obtain and file
10.12 with the authority an individual bond or fidelity insurance policy. The authority may
10.13 procure insurance in the amounts the authority considers necessary against liability of the
10.14 authority or its officers and employees for personal injury or death and property damage or
10.15 destruction, consistent with chapter 466, and against risks of damage to or destruction of
10.16 any of its facilities, equipment, or other property.

10.17 Subd. 12. **Exemption from Metropolitan Council review, Business Subsidy Act.**
10.18 The acquisition and betterment of a stadium by the authority must be conducted pursuant
10.19 to this chapter and are not subject to sections 473.165 and 473.173. Section 116J.994
10.20 does not apply to any transactions of the authority or other governmental entity related
10.21 to the stadium or public infrastructure, or to any tenant or other users of the stadium
10.22 or public infrastructure.

10.23 Subd. 13. **Contracts.** (a) The authority may enter into a development agreement
10.24 with the team and any other entity relating to the construction, financing, and use of
10.25 the stadium and related facilities and public infrastructure. The authority may contract
10.26 for materials, supplies, and equipment in accordance with section 471.345, except that
10.27 the authority may employ or contract with persons, firms, or corporations to perform
10.28 one or more or all of the functions of architect, engineer, or construction manager with
10.29 respect to all or any part of the stadium and public infrastructure. Alternatively, at the
10.30 request of the team, the authority shall authorize the team to provide for the design and
10.31 construction of the stadium and related public infrastructure, subject to terms of this
10.32 chapter. The construction manager may enter into contracts with contractors for labor,
10.33 materials, supplies, and equipment for the construction of the stadium and related public
10.34 infrastructure through the process of public bidding, except that the construction manager
10.35 may, with the consent of the authority or the team:

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

11.3 (2) award contracts to the contractors that the construction manager determines
11.4 provide the best value under a request for proposals as described in section 16C.28,
11.5 subdivision 1, paragraphs (a), clause (2), and (c), which are not required to be the lowest
11.6 responsible bidder; and

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

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

11.27 Subd. 14. **Other professional sports facilities.** The authority may contribute to the
11.28 design, construction, or improvement of other professional sports facilities located in a
11.29 metropolitan statistical area, as defined in section 473J.14.

11.30 Subd. 15. **Incidental powers.** In addition to the powers expressly granted in this
11.31 chapter, the authority has all powers necessary or incidental thereto.

11.32 **Sec. 10. [473J.11] SELECTION CRITERIA; REQUEST FOR PROPOSALS.**

11.33 Subdivision 1. **Selection proposals.** The Minnesota Stadium Authority shall issue a
11.34 request for proposals for political subdivisions to be selected to finance and construct a

12.1 stadium for the team. This proposal must be published in the State Register and contain, at
12.2 a minimum, the following requirements:

12.3 (1) a requirement that all proposals specify a location for the new stadium or a
12.4 process for selecting a site in an expeditious fashion;

12.5 (2) a list of taxes, fees, and expenditures that will form the commitment of the
12.6 political subdivision or subdivisions to the financing of the stadium;

12.7 (3) a list of amenities, infrastructure, and other improvements that will be offered
12.8 to the team and the Minnesota Stadium Authority as part of the proposal for location
12.9 of the new stadium; and

12.10 (4) if applicable, a list of any proposed subsidiary uses of proposed financing tools,
12.11 such as financing for amateur sports, libraries, or other ancillary purposes.

12.12 Subd. 2. **Process.** The Minnesota Stadium Authority shall receive all proposals
12.13 and shall publish their contents. The team and the authority shall jointly select a
12.14 winning proposal and shall negotiate all necessary agreements with the selected political
12.15 subdivisions necessary to begin the process of constructing a stadium.

12.16 Subd. 3. **Requirements.** The following must be used as the basis for each proposal:

12.17 (1) the taxes, fees, and contributions designated under section 473J.15, subdivision
12.18 9, are available to finance the stadium and public infrastructure;

12.19 (2) the state of Minnesota is not required to provide additional funding or resources
12.20 not explicitly required or allowed under this act;

12.21 (3) all provisions of this chapter must be reflected in any proposal, but a specific
12.22 modification of a provision of this chapter may be proposed as a part of a proposal; and

12.23 (4) to the extent practicable, consistent with the purpose of constructing a stadium in
12.24 a partnership with the team, all revenues raised should be related directly or indirectly to
12.25 the persons benefitting from the stadium.

12.26 Sec. 11. **[473J.13] CRITERIA AND CONDITIONS.**

12.27 Subdivision 1. **Binding and enforceable.** In developing the stadium and entering
12.28 into related contracts, the authority must follow and enforce the criteria and conditions in
12.29 this section, provided that a determination by the authority that those criteria or conditions
12.30 have been met under any agreement or otherwise shall be conclusive.

12.31 Subd. 2. **Team contribution.** The team must agree to contribute one-third of the
12.32 stadium costs, less a proportionate share of any amount by which actual stadium costs
12.33 may be less than a budgeted amount to be determined. In addition, as a portion of the
12.34 one-third, the team must contribute a fan participation payment in lieu of an admission
12.35 tax, concession surtax, or other sources derived directly from users of the stadium. The

13.1 team contributions must be funded in cash during the construction period. In addition to
13.2 any other team contribution, the team must agree to assume and pay when due all cost
13.3 overruns for the stadium costs that exceed the budget.

13.4 Subd. 3. **Reserve for capital improvements.** The authority shall establish a reserve
13.5 account for capital improvements to the stadium. The reserve account must be funded with
13.6 an amount to be determined. The team's share of those payments must be as determined
13.7 by agreement of the team and authority. The annual payments shall increase according
13.8 to an inflation index determined by the authority, provided that any portion of the team's
13.9 contribution that has already been reduced to present value shall not increase according to
13.10 an inflation index. The authority may accept contributions from any other source for the
13.11 portion of the funding not required to be provided by the team.

13.12 Subd. 4. **Lease or use agreements; 40-year term.** The authority must enter into
13.13 a long-term lease or use agreement with the team for the team's use of the stadium.
13.14 The team must agree to play all regularly scheduled and postseason home games at the
13.15 stadium. Preseason games may also be scheduled and played at the stadium. The lease or
13.16 use agreement must be for a term of at least 40 years from the date of stadium completion.
13.17 The lease or use agreement must include terms for default, termination, and breach of
13.18 the agreement. Recognizing that the presence of professional football provides to the
13.19 state of Minnesota and its citizens highly valued, intangible benefits that are virtually
13.20 impossible to quantify and, therefore, not recoverable in the event of a team owner's
13.21 breach of contract, the lease and use agreements must provide for specific performance
13.22 and injunctive relief to enforce provisions relating to use of the stadium for professional
13.23 football and must not include escape clauses or buyout provisions. The team must not
13.24 enter into or accept any agreement or requirement with or from the National Football
13.25 League or any other entity that is inconsistent with the team's binding commitment to the
13.26 40-year term of the lease or use agreement or that would in any manner dilute, interfere
13.27 with, or negate the provisions of the lease or use agreement, or of any grant agreement
13.28 under section 473J.15 that includes a specific performance clause, providing for specific
13.29 performance or injunctive relief. The legislature conclusively determines, as a matter of
13.30 public policy, that the lease or use agreement, and any grant agreement under this chapter
13.31 that includes a specific performance clause:

13.32 (1) explicitly authorize specific performance as a remedy for breach;

13.33 (2) are made for adequate consideration and upon terms which are otherwise fair
13.34 and reasonable;

13.35 (3) have not been included through sharp practice, misrepresentation, or mistake;

14.1 (4) if specifically enforced, do not cause unreasonable or disproportionate hardship
14.2 or loss to the team or to third parties; and

14.3 (5) involve performance in a manner and the rendering of services of a nature and
14.4 under circumstances that the beneficiary cannot be adequately compensated in damages.

14.5 Subd. 5. **Lease or use agreements; revenues, payments.** The authority must
14.6 provide in the lease or use agreements with the team that the team pay for use of the
14.7 stadium as follows: an amount negotiated with the authority in the first year, and then an
14.8 amount each year thereafter equal to the previous year's lease payment plus an increase to
14.9 cover actual and projected costs of stadium operation. The authority must agree to provide
14.10 for the team to receive all game-day revenues, suite revenues, and proceeds from the sale
14.11 of naming rights. The agreement must provide for the authority to receive all general
14.12 ticket revenues from nonprofessional football games or events.

14.13 Subd. 6. **Notice of breach or default.** Until 40 years from the date of stadium
14.14 completion, the team must provide written notice to the authority not less than 90 days
14.15 prior to any action, including any action imposed upon the team by the National Football
14.16 League, which would result in a breach or default of provisions of the lease or use
14.17 agreements required to be included under subdivision 4. If this notice provision is violated
14.18 and the team has already breached or been in default under the required provisions, the
14.19 authority or the state of Minnesota may specifically enforce the lease or use agreement and
14.20 Minnesota courts shall fashion equitable remedies so that the team fulfills the conditions
14.21 of the lease and use agreements, including, but not limited to, remedies against the
14.22 National Football League.

14.23 Subd. 7. **Enforceable financial commitments.** The authority must determine
14.24 before stadium construction begins that all public and private funding sources for
14.25 construction of the stadium are included in written agreements. The committed funds must
14.26 be adequate to design, construct, furnish, and equip the stadium.

14.27 Subd. 8. **Environmental requirements.** The authority must comply with all
14.28 environmental requirements imposed by regulatory agencies for the stadium, site, and
14.29 structure, except as provided by section 473J.15.

14.30 Subd. 9. **Public share on sale of team.** The lease or use agreement must provide
14.31 that, if the team is sold after the effective date of this chapter, a portion of the sale price
14.32 must be paid to the authority and deposited in a reserve fund for improvements to the
14.33 stadium or expended as the authority may otherwise direct. The portion required to be
14.34 so paid to the authority is 18 percent of the gross sale price, declining to zero ten years
14.35 after commencement of stadium construction in increments of 1.8 percent each year.
14.36 The agreement must provide exceptions for sales to members of the owner's family and

15.1 entities and trusts beneficially owned by family members, sales to employees of equity
15.2 interests aggregating up to ten percent, and sales related to capital infusions not distributed
15.3 to the owners.

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

15.10 Subd. 11. **No strikes, lockouts.** The authority must negotiate a public sector project
15.11 labor agreement or other agreement to prevent strikes and lockouts that would halt, delay,
15.12 or impede construction of the stadium and related facilities.

15.13 Subd. 12. **Team name retained.** The lease or use agreement must provide that the
15.14 team and National Football League will transfer to the state of Minnesota the Minnesota
15.15 Vikings' heritage and records, including the name, logo, colors, history, playing records,
15.16 trophies, and memorabilia in the event of any dissolution or relocation of the Vikings
15.17 franchise.

15.18 Subd. 13. **Stadium design.** (a) The authority will strive to build a stadium that
15.19 is environmentally and energy efficient and will make an effort to build a stadium that
15.20 is eligible to receive the Leadership in Energy and Environmental Design (LEED)
15.21 certification for environmental design, and to the extent practicable, will strive to make the
15.22 stadium design architecturally significant.

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

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

15.27 **Sec. 12. [473J.14] TAXES; AUTHORITY.**

15.28 Subdivision 1. **General authority; disposition of revenues.** (a) The authority may
15.29 impose the taxes authorized under this section for the following purposes:

15.30 (1) to provide financing for the acquisition, construction, improvement, and
15.31 operation of the stadium; and

15.32 (2) to provide financing for the acquisition, construction, improvement, renovation
15.33 or operation of other sports facilities located in a metropolitan statistical area in this state.

15.34 (b) The commissioner shall pay the proceeds of any taxes imposed under this
15.35 section to the authority.

16.1 (c) The authority must use the proceeds of any taxes it receives under paragraph
16.2 (b) to:

16.3 (1) make grants to the municipality under section 473J.15, subdivision 4, for the
16.4 purpose of paying principal, premium, interest, escrows, reserves, and all fees and costs
16.5 related to the bonds issued under that section to finance the acquisition, construction, and
16.6 improvement of the stadium and related infrastructure; and

16.7 (2) fund an escrow account for other sports facilities with any remaining proceeds
16.8 not required to make the payments under clause (1).

16.9 Subd. 2. **Definitions.** (a) For purposes of this section, the following terms have
16.10 the meanings given them.

16.11 (b) "Commissioner" means the commissioner of revenue.

16.12 (c) "Metropolitan area" means metropolitan area as defined in section 473.121,
16.13 subdivision 2.

16.14 (d) "Metropolitan statistical areas" means all counties in the state of Minnesota
16.15 located in a metropolitan statistical area as defined by the United States Office of
16.16 Management and Budget based on the most recent federal census.

16.17 Subd. 3. **Sports memorabilia tax.** (a) The authority may impose a tax on each
16.18 sale at wholesale of sports memorabilia in all metropolitan statistical areas in the state.
16.19 The commissioner of revenue shall collect and administer the tax as provided for in this
16.20 subdivision. The rate of the tax is 6.875 percent of the gross revenues from the sale.

16.21 (b) For purposes of this subdivision, the following terms have the meanings given
16.22 them.

16.23 (1) "Buyer" means any person that purchases sports memorabilia at wholesale.

16.24 (2) "Sale" means a transfer of title or possession of tangible personal property,
16.25 whether absolutely or conditionally.

16.26 (3) "Sports memorabilia" means items available for sale to the public that are sold
16.27 under a license granted by any professional sports league or a team that is a franchise of a
16.28 professional sports league, or an affiliate or subsidiary of a league or a team, including:

16.29 (i) one-of-a-kind items related to sports figures, teams, or events;

16.30 (ii) trading cards;

16.31 (iii) photographs;

16.32 (iv) clothing;

16.33 (v) sports event licensed items;

16.34 (vi) sports equipment; and

16.35 (vii) similar items.

17.1 (4) "Wholesale" or "sale at wholesale" means a sale to a retailer, as defined in section
17.2 297A.61, subdivision 9, for the purpose of reselling the property to a third party.

17.3 (5) "Wholesaler" means any person making wholesale sales of sports memorabilia to
17.4 purchasers in a metropolitan statistical area in the state.

17.5 (c) Each wholesaler must make estimated payments of the tax for the calendar
17.6 year to the commissioner in quarterly installments by April 15, July 15, October 15, and
17.7 January 15 of the following calendar year. Estimated tax payments are not required if the
17.8 tax for the calendar year is less than \$500. An underpayment of estimated installments
17.9 bears interest at the rate specified in section 270C.40, from the due date of the payment
17.10 until paid or until the due date of the annual return at the rate specified in section 270C.40.
17.11 An underpayment of an estimated installment is the difference between the amount paid
17.12 and the lesser of (1) 90 percent of one-quarter of the tax for the calendar year, or (2) the
17.13 tax for the actual gross revenues received during the quarter.

17.14 (d) A taxpayer with an aggregate tax liability of \$10,000 or more during a fiscal
17.15 year ending June 30, must remit all liabilities by funds transfer as defined in section
17.16 336.4A-104, paragraph (a), in the next calendar year. The funds-transfer payment date,
17.17 as defined in section 336.4A-401, is on or before the first funds-transfer business day
17.18 after the date the tax is due.

17.19 (e) The taxpayer must file an annual return reconciling the estimated payments by
17.20 March 15 of the following calendar year.

17.21 (f) The estimated payments and annual return must contain the information and be in
17.22 the form prescribed by the commissioner.

17.23 (g) If the tax is not paid under this subdivision, a tax is imposed on possession for
17.24 sale or use of sports memorabilia in all metropolitan statistical areas in the state. The rate
17.25 of tax equals the rate under this subdivision, and must be paid by the possessor of the items.

17.26 (h) Unless specifically provided otherwise by this subdivision, the audit, assessment,
17.27 refund, penalty, interest, enforcement, collection remedies, appeal, and administrative
17.28 provisions of chapters 270C and 289A that apply to taxes imposed under chapter 297A
17.29 apply to taxes imposed under this subdivision.

17.30 (i) The commissioner shall remit the proceeds of the tax, including interest and
17.31 penalties, less refunds and the direct costs of collection, at least quarterly to the authority.

17.32 Subd. 4. **Rental car tax.** (a) The authority may impose a surcharge on the rental
17.33 or lease in the metropolitan area for not more than 28 days of a passenger automobile,
17.34 as defined in section 168.002, subdivision 24, a van as defined in section 168.002,
17.35 subdivision 40, or a pickup truck as defined in section 168.002, subdivision 26, equal to

18.1 2.5 percent of the sales price, as defined in chapter 297A. The tax applies whether or not
18.2 the vehicle is licensed in the state.

18.3 (b) The tax does not apply to leases or rentals that are exempt from the tax and fee
18.4 imposed under section 297A.64.

18.5 (c) The commissioner shall administer and collect any tax imposed under this
18.6 subdivision in the same manner as the tax imposed under section 297A.64 and all of
18.7 the administrative, enforcement, and collection provisions under chapters 270B, 270C,
18.8 289, and 297A apply to the tax.

18.9 Subd. 5. **Lodging tax.** (a) The authority may impose a tax of 1.5 percent on the
18.10 gross receipts subject to the lodging tax under section 469.190 for lodging at facilities
18.11 located in the metropolitan area.

18.12 (b) Revenues from any tax imposed under this subdivision are allocated as follows:

18.13 (1) one-sixth to the convention and visitors bureau for the city or town in which the
18.14 facility is located that provided the lodging services for which the tax was remitted; and

18.15 (2) the remainder to the authority for the purposes stated in subdivision 1.

18.16 (c) The commissioner shall administer and collect any tax imposed under this
18.17 subdivision in the manner provided under section 469.190, subdivision 7.

18.18 Sec. 13. **[473J.15] MUNICIPAL ACTIVITIES; BONDS; TAXES.**

18.19 Subdivision 1. **Definitions.** For purposes of this section, "municipality" and
18.20 "municipal" mean and refer to the city or county or both, as designated in the site selection
18.21 agreement by the authority.

18.22 Subd. 2. **Stadium grants.** The municipality may authorize, by resolution, and
18.23 make one or more grants to the authority for stadium development and construction,
18.24 public infrastructure, reserves for capital improvements, and other purposes related to the
18.25 stadium on the terms and conditions agreed to by the municipality and the authority.

18.26 Subd. 3. **Property acquisition and disposition.** The municipality may acquire
18.27 land, air rights, and other property interests within the development area for the stadium
18.28 site and public infrastructure and convey it to the authority with or without consideration,
18.29 prepare a site for development as a stadium, and acquire and construct any related public
18.30 infrastructure. The public infrastructure may include the construction and operation of
18.31 parking facilities notwithstanding any law imposing limits on county parking facilities
18.32 in the city of Minneapolis. To the extent property parcels or interests acquired are more
18.33 extensive than the public infrastructure requirements, the municipality may sell or
18.34 otherwise dispose of the excess. The proceeds from sales of excess property must be
18.35 deposited in the debt service reserve fund.

19.1 Subd. 4. **Grant agreement.** The municipality may review and approve stadium
19.2 designs, plans, and specifications to the extent provided in a grant agreement and in order
19.3 to ensure that the public purposes of the grant are carried out. The governing body of the
19.4 municipality may delegate responsibility for implementing the terms of an approved grant
19.5 agreement to a designated officer. The municipality may enforce the provisions of any
19.6 grant agreement by specific performance. Except to require compliance with the conditions
19.7 of the grant or as may be mutually agreed to by the municipality and the authority, the
19.8 municipality has no interest in or claim to any assets or revenues of the authority.

19.9 Subd. 5. **Environmental; planning and zoning.** (a) The municipality is the
19.10 responsible governmental unit for any environmental impact statement for the stadium
19.11 prepared under section 116D.04. Notwithstanding section 116D.04, subdivision 2b, and
19.12 implementing rules: (1) the environmental impact statement shall not be required to
19.13 consider alternative stadium sites; and (2) the environmental impact statement must be
19.14 determined to be adequate before commencing work on the foundation of the stadium, but
19.15 the stadium and public infrastructure may otherwise be started and all preliminary and
19.16 final government decisions and actions may be made and taken, including but not limited
19.17 to acquiring land; obtaining financing; imposing the tax under section 473J.15; granting
19.18 permits or other land use approvals; entering into grant, lease, or use agreements; or
19.19 preparing the site or related public infrastructure prior to a determination of the adequacy
19.20 of the environmental impact statement.

19.21 (b) In order to accomplish the objectives of this chapter within the required time
19.22 frame, it is necessary to establish an alternative process for municipal land use and
19.23 development review. It is hereby found and declared that the construction of a stadium
19.24 within the development area is consistent with the municipality's adopted comprehensive
19.25 plan, is the preferred stadium location, and is a permitted land use. This paragraph
19.26 establishes a procedure for all land use and development reviews and approvals by the
19.27 municipality for the stadium and related public infrastructure and supersedes all land use
19.28 and development rules and restrictions and procedures imposed by other law, charter,
19.29 or ordinance, including without limitation section 15.99. No later than 30 days after
19.30 enactment, the municipality shall establish a stadium implementation committee to make
19.31 recommendations on the design plans submitted for the stadium, public infrastructure,
19.32 and related improvements, including but not limited to street vacation, parking,
19.33 roadways, walkways, skyways, pedestrian bridges, bicycle paths, transit improvements
19.34 to facilitate public street access to the stadium and integration into the transportation
19.35 plan for the municipality and the region, lighting, landscaping, utilities, streets, drainage,
19.36 environmental remediation, and land acquired and prepared for private redevelopment

20.1 in a manner related to the use of the stadium. The implementation committee must take
20.2 action to issue its recommendations within the time frames established in the planning
20.3 and construction timetable issued by the municipality which shall provide for no less
20.4 than 60 days for the committee's review. The recommendations of the implementation
20.5 committee shall be forwarded to the municipality's planning commission for an advisory
20.6 recommendation and then to the municipality's governing body for final action in a single
20.7 resolution, which final action must be taken within 45 days of the submission of the
20.8 recommendations to the planning commission. The governing body of the municipality
20.9 shall not impose any unnecessary or unreasonable conditions on the recommendations
20.10 of the implementation committee, nor take any action or impose any conditions that will
20.11 result in delay from the time frames established in the planning and construction timetable
20.12 or in additional overall costs. Failure of the governing body to act within the 45-day
20.13 period is deemed to be approval. The district court or any appellate court shall expedite
20.14 review of any case brought relating to the stadium to the maximum extent possible and
20.15 timely issue relief, orders, or opinions as necessary to give effect to the provisions and
20.16 objectives in this chapter.

20.17 Subd. 6. **Local government expenditure.** The municipality may make expenditures
20.18 or grants for other costs incidental and necessary to further the purposes of this chapter,
20.19 and may by agreement, reimburse in whole or in part, any entity that has granted, loaned,
20.20 or advanced funds to the municipality to further the purposes of this chapter. The
20.21 municipality shall reimburse a local governmental entity within its jurisdiction or make a
20.22 grant to such a governmental unit for site acquisition, preparation of the site for stadium
20.23 development, and public infrastructure. Amounts expended by a local governmental unit
20.24 with the proceeds of a grant or under an agreement that provides for reimbursement by the
20.25 municipality is not deemed an expenditure or other use of local governmental resources
20.26 by the governmental unit within the meaning of any law or charter limitation. Exercise
20.27 by the municipality of its powers under this section does not affect the amounts that the
20.28 municipality may otherwise spend, borrow, tax, or receive under any law.

20.29 Subd. 7. **Municipal authority.** The legislature intends that, except as expressly
20.30 limited herein, the municipality may acquire and develop a site for the stadium and
20.31 public infrastructure, to enter into contracts with the authority and other governmental or
20.32 nongovernmental entities, to appropriate funds, and to make employees, consultants, and
20.33 other revenues available for those purposes.

20.34 Subd. 8. **Municipal revenue bonds.** The municipality may, by resolution,
20.35 authorize, sell, and issue revenue bonds to provide funds to make a grant or grants to the
20.36 authority and to finance all or a portion of the costs of site acquisition, site improvements,

S.F. No. 3399, as introduced - 86th Legislative Session (2009-2010) [10-6394]

21.1 and other activities necessary to prepare a site for development of a stadium, to construct,
21.2 improve, and maintain the stadium and to establish and fund any capital improvement
21.3 reserves, and to acquire and construct any related parking facilities and other public
21.4 infrastructure and for other costs incidental and necessary to further the purposes of this
21.5 chapter. The municipality may also, by resolution, issue bonds to refund the bonds issued
21.6 under this section. The bonds must be limited obligations, payable solely from or secured
21.7 by taxes designated under subdivision 9, and any other revenues available under this
21.8 act, and no entity, other than the municipality, is responsible for paying the bonds. The
21.9 bonds may be issued in one or more series and sold without an election. The bonds must
21.10 be secured, bear the interest rate or rates or a variable rate, have the rank or priority, be
21.11 executed in the manner, be payable in the manner, mature, and be subject to the defaults,
21.12 redemptions, repurchases, tender options, or other terms, as the municipality determines.
21.13 The municipality may enter into and perform all contracts deemed necessary or desirable
21.14 by it to issue and secure the bonds, including an indenture of trust with a trustee within
21.15 or without the state. The debt represented by the bonds is not be included in computing
21.16 any debt limitation applicable to the municipality. Subject to this subdivision, the bonds
21.17 must be issued and sold in the manner provided in chapter 475. Notwithstanding section
21.18 475.54, the bonds may mature at not later than 40 years from the date of the issue, or the
21.19 useful life of the asset, whichever is less. The bonds must recite that they are issued under
21.20 this chapter, and the recital is conclusive as to the validity of the bonds and the imposition
21.21 and pledge of the taxes levied for their payment. In anticipation of the issuance of the
21.22 bonds authorized under this subdivision and the collection of taxes under subdivision 9,
21.23 the municipality may provide funds for the purposes authorized by this chapter, through
21.24 temporary interfund loans from other available funds of the municipality which must be
21.25 repaid with interest.

21.26 Subd. 9. **Taxes and other revenues.** In addition to the grant provided by the
21.27 authority under the agreement under subdivision 4, the municipality may impose taxes as
21.28 required under the stadium proposal accepted by the authority.

21.29 Subd. 10. **Uses of tax and other revenues.** (a) Revenues received from the taxes
21.30 and surcharges designated or imposed under subdivision 9 may be used:

21.31 (1) to pay costs of collection;

21.32 (2) to pay or reimburse or secure the payment of any principal of, premium, or
21.33 interest on bonds issued under this chapter;

21.34 (3) to pay costs and make expenditures and grants described in this section, including
21.35 financing costs related to them;

22.1 (4) to maintain reserves for the foregoing purposes deemed reasonable and
22.2 appropriate by the municipality;

22.3 (5) to pay for operating costs of the authority and for costs of operating or
22.4 maintaining the stadium; and

22.5 (6) for no other purpose.

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

22.8 Sec. 14. **[473J.17] PROPERTY TAX EXEMPTION; SPECIAL ASSESSMENTS.**

22.9 Any real or personal property acquired, owned, leased, controlled, used, or occupied
22.10 by the authority for any of the purposes of this chapter, is acquired, owned, leased,
22.11 controlled, used, and occupied for public, governmental, and municipal purposes, and is
22.12 exempt from ad valorem taxation by the state or any political subdivision of the state;
22.13 provided that the properties are subject to special assessments levied by a political
22.14 subdivision for a local improvement in amounts proportionate to and not exceeding the
22.15 special benefit received by the properties from the improvement. No possible use of
22.16 any of the properties in any manner different from their use under this chapter may be
22.17 considered in determining the special benefit received by the properties. Notwithstanding
22.18 section 272.01, subdivision 2, or 273.19, real or personal property subject to a lease or
22.19 use agreement between the authority and another person for uses related to the purposes
22.20 of this chapter, including the operation of the stadium and related parking facilities,
22.21 is exempt from taxation regardless of the length of the lease or use agreement of the
22.22 characteristics of the entity leasing or using the property. This section, insofar as it
22.23 provides an exemption or special treatment, does not apply to any real property that is
22.24 leased for residential, business, or commercial development or other purposes different
22.25 from those contemplated in this chapter.

22.26 Sec. 15. **[473J.19] CITY REQUIREMENTS.**

22.27 Subdivision 1. **Liquor licenses.** At the request of the authority, the city shall
22.28 issue intoxicating liquor licenses that are reasonably requested for the premises of the
22.29 stadium. These licenses are in addition to the number authorized by law. All provisions
22.30 of chapter 340A not inconsistent with this section apply to the licenses authorized under
22.31 this subdivision.

22.32 Subd. 2. **Charter limitations.** Actions taken by the city under this chapter, in a
22.33 planning or regulatory capacity, actions for which fair market value reimbursement is
22.34 provided or for which standard fees are collected, and any tax exemptions established

23.1 under this chapter, are not deemed to be an expenditure or other use of city resources
23.2 within the meaning of any charter limitation.

23.3 Sec. 16. **[473J.21] LOCAL SALES TAXES.**

23.4 No local sales or use tax may be imposed on sales at the stadium site, except a
23.5 general sales tax permitted under section 297A.99 or as provided by section 473J.15.

23.6 Sec. 17. **[473J.23] METROPOLITAN SPORTS FACILITIES COMMISSION**
23.7 **ASSETS; LIABILITIES TO AUTHORITY.**

23.8 Subdivision 1. **Transfer; may sell property.** All assets, liabilities, and obligations
23.9 of the Metropolitan Sports Facilities Commission are transferred to the authority, effective
23.10 January 1, 2012. The authority may sell the property at public sale for fair market value.
23.11 If the authority sells the Metrodome property, it must pay \$5,000,000 to Hennepin County.

23.12 Subd. 2. **Metropolitan Sports Facilities Commission abolished.** Upon transfer to
23.13 the authority of all assets, liabilities, and obligations of the Metropolitan Sports Facilities
23.14 Commission, the Metropolitan Sports Facilities Commission is abolished.

23.15 Sec. 18. **LOTTERY STADIUM GAME.**

23.16 The Minnesota Lottery shall conduct an annual game based on stadium themes or
23.17 professional football themes. Revenues from this game are to be deposited into the stadium
23.18 account. An amount raised from the conduct of the annual sports themed game, equal to
23.19 but not to exceed \$5,500,000 per year, from the lottery's annual contributions to the state
23.20 general fund is appropriated each year for the duration of bonds sold to pay for the stadium.

23.21 Sec. 19. **REPEALER.**

23.22 Minnesota Statutes 2008, sections 137.50, subdivision 5; 473.551; 473.552;
23.23 473.553, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, and 13; 473.564, subdivisions 2
23.24 and 3; 473.5995; 473.755; 473.76; and 473.763, are repealed.

23.25 **EFFECTIVE DATE.** This section is effective January 1, 2012.

23.26 Sec. 20. **EFFECTIVE DATE.**

23.27 Except as otherwise provided, this article is effective the day following final
23.28 enactment.

ARTICLE 2

CONFORMING CHANGES

24.1
24.2
24.3 Section 1. Minnesota Statutes 2009 Supplement, section 3.971, subdivision 6, is
24.4 amended to read:

24.5 Subd. 6. **Financial audits.** The legislative auditor shall audit the financial
24.6 statements of the state of Minnesota required by section 16A.50 and, as resources permit,
24.7 shall audit Minnesota State Colleges and Universities, the University of Minnesota, state
24.8 agencies, departments, boards, commissions, courts, and other state organizations subject
24.9 to audit by the legislative auditor, including the State Agricultural Society, Agricultural
24.10 Utilization Research Institute, Enterprise Minnesota, Inc., Minnesota Historical
24.11 Society, Labor Interpretive Center, Minnesota Partnership for Action Against Tobacco,
24.12 ~~Metropolitan Sports Facilities Commission~~, Metropolitan Airports Commission, and
24.13 Metropolitan Mosquito Control District. Financial audits must be conducted according to
24.14 generally accepted government auditing standards. The legislative auditor shall see that
24.15 all provisions of law respecting the appropriate and economic use of public funds are
24.16 complied with and may, as part of a financial audit or separately, investigate allegations
24.17 of noncompliance.

24.18 **EFFECTIVE DATE.** This section is effective January 1, 2012.

24.19 Sec. 2. Minnesota Statutes 2009 Supplement, section 10A.01, subdivision 35, is
24.20 amended to read:

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

24.22 (1) member of the legislature;

24.23 (2) individual employed by the legislature as secretary of the senate, legislative
24.24 auditor, chief clerk of the house of representatives, revisor of statutes, or researcher,
24.25 legislative analyst, or attorney in the Office of Senate Counsel and Research or House
24.26 Research;

24.27 (3) constitutional officer in the executive branch and the officer's chief administrative
24.28 deputy;

24.29 (4) solicitor general or deputy, assistant, or special assistant attorney general;

24.30 (5) commissioner, deputy commissioner, or assistant commissioner of any state
24.31 department or agency as listed in section 15.01 or 15.06, or the state chief information
24.32 officer;

S.F. No. 3399, as introduced - 86th Legislative Session (2009-2010) [10-6394]

25.1 (6) member, chief administrative officer, or deputy chief administrative officer of a
25.2 state board or commission that has either the power to adopt, amend, or repeal rules under
25.3 chapter 14, or the power to adjudicate contested cases or appeals under chapter 14;

25.4 (7) individual employed in the executive branch who is authorized to adopt, amend,
25.5 or repeal rules under chapter 14 or adjudicate contested cases under chapter 14;

25.6 (8) executive director of the State Board of Investment;

25.7 (9) deputy of any official listed in clauses (7) and (8);

25.8 (10) judge of the Workers' Compensation Court of Appeals;

25.9 (11) administrative law judge or compensation judge in the State Office of
25.10 Administrative Hearings or unemployment law judge in the Department of Employment
25.11 and Economic Development;

25.12 (12) member, regional administrator, division director, general counsel, or operations
25.13 manager of the Metropolitan Council;

25.14 (13) member or chief administrator of a metropolitan agency;

25.15 (14) director of the Division of Alcohol and Gambling Enforcement in the
25.16 Department of Public Safety;

25.17 (15) member or executive director of the Higher Education Facilities Authority;

25.18 (16) member of the board of directors or president of Enterprise Minnesota, Inc.;

25.19 (17) member of the board of directors or executive director of the Minnesota State
25.20 High School League;

25.21 (18) member of the Minnesota Ballpark Authority ~~established in section 473.755;~~

25.22 (19) citizen member of the Legislative-Citizen Commission on Minnesota Resources;

25.23 (20) manager of a watershed district, or member of a watershed management
25.24 organization as defined under section 103B.205, subdivision 13;

25.25 (21) supervisor of a soil and water conservation district;

25.26 (22) director of Explore Minnesota Tourism; or

25.27 (23) citizen member of the Lessard-Sams Outdoor Heritage Council established
25.28 in section 97A.056.

25.29 **EFFECTIVE DATE.** This section is effective January 1, 2012.

25.30 Sec. 3. Minnesota Statutes 2008, section 13.55, subdivision 1, is amended to read:

25.31 Subdivision 1. **Not public classification.** The following data received, created, or
25.32 maintained by or for publicly owned and operated convention facilities, or civic center
25.33 authorities, ~~or the Metropolitan Sports Facilities Commission~~ are classified as nonpublic
25.34 data pursuant to section 13.02, subdivision 9; or private data on individuals pursuant
25.35 to section 13.02, subdivision 12:

S.F. No. 3399, as introduced - 86th Legislative Session (2009-2010) [10-6394]

- 26.1 (a) a letter or other documentation from any person who makes inquiry to or who is
26.2 contacted by the facility regarding the availability of the facility for staging events;
26.3 (b) identity of firms and corporations which contact the facility;
26.4 (c) type of event which they wish to stage in the facility;
26.5 (d) suggested terms of rentals; and
26.6 (e) responses of authority staff to these inquiries.

26.7 **EFFECTIVE DATE.** This section is effective January 1, 2012.

26.8 Sec. 4. Minnesota Statutes 2009 Supplement, section 340A.404, subdivision 1, is
26.9 amended to read:

26.10 Subdivision 1. **Cities.** (a) A city may issue an on-sale intoxicating liquor license to
26.11 the following establishments located within its jurisdiction:

- 26.12 (1) hotels;
26.13 (2) restaurants;
26.14 (3) bowling centers;
26.15 (4) clubs or congressionally chartered veterans organizations with the approval of
26.16 the commissioner, provided that the organization has been in existence for at least three
26.17 years and liquor sales will only be to members and bona fide guests, except that a club
26.18 may permit the general public to participate in a wine tasting conducted at the club under
26.19 section 340A.419; and
26.20 ~~(5) sports facilities located on land owned by the Metropolitan Sports Commission;~~
26.21 ~~and~~
26.22 ~~(6) (5) exclusive liquor stores.~~

26.23 (b) A city may issue an on-sale intoxicating liquor license, an on-sale wine license,
26.24 or an on-sale malt liquor license to a theater within the city, notwithstanding any law, local
26.25 ordinance, or charter provision. A license issued under this paragraph authorizes sales on
26.26 all days of the week to persons attending events at the theater.

26.27 (c) A city may issue an on-sale intoxicating liquor license, an on-sale wine license,
26.28 or an on-sale malt liquor license to a convention center within the city, notwithstanding
26.29 any law, local ordinance, or charter provision. A license issued under this paragraph
26.30 authorizes sales on all days of the week to persons attending events at the convention
26.31 center. This paragraph does not apply to convention centers located in the seven-county
26.32 metropolitan area.

26.33 **EFFECTIVE DATE.** This section is effective January 1, 2012.

S.F. No. 3399, as introduced - 86th Legislative Session (2009-2010) [10-6394]

27.1 Sec. 5. Minnesota Statutes 2008, section 352.01, subdivision 2a, is amended to read:

27.2 Subd. 2a. **Included employees.** (a) "State employee" includes:

27.3 (1) employees of the Minnesota Historical Society;

27.4 (2) employees of the State Horticultural Society;

27.5 (3) employees of the Minnesota Crop Improvement Association;

27.6 (4) employees of the adjutant general who are paid from federal funds and who are
27.7 not covered by any federal civilian employees retirement system;

27.8 (5) employees of the Minnesota State Colleges and Universities employed under the
27.9 university or college activities program;

27.10 (6) currently contributing employees covered by the system who are temporarily
27.11 employed by the legislature during a legislative session or any currently contributing
27.12 employee employed for any special service as defined in subdivision 2b, clause (8);

27.13 (7) employees of the legislature appointed without a limit on the duration of their
27.14 employment and persons employed or designated by the legislature or by a legislative
27.15 committee or commission or other competent authority to conduct a special inquiry,
27.16 investigation, examination, or installation;

27.17 (8) trainees who are employed on a full-time established training program
27.18 performing the duties of the classified position for which they will be eligible to receive
27.19 immediate appointment at the completion of the training period;

27.20 (9) employees of the Minnesota Safety Council;

27.21 (10) any employees on authorized leave of absence from the Transit Operating
27.22 Division of the former Metropolitan Transit Commission who are employed by the
27.23 labor organization which is the exclusive bargaining agent representing employees of
27.24 the Transit Operating Division;

27.25 (11) employees of the Metropolitan Council, Metropolitan Parks and Open Space
27.26 Commission, ~~Metropolitan Sports Facilities Commission~~, Metropolitan Mosquito Control
27.27 Commission, or Metropolitan Radio Board unless excluded or covered by another public
27.28 pension fund or plan under section 473.415, subdivision 3;

27.29 (12) judges of the Tax Court;

27.30 (13) personnel employed on June 30, 1992, by the University of Minnesota in the
27.31 management, operation, or maintenance of its heating plant facilities, whose employment
27.32 transfers to an employer assuming operation of the heating plant facilities, so long as the
27.33 person is employed at the University of Minnesota heating plant by that employer or by its
27.34 successor organization;

27.35 (14) seasonal help in the classified service employed by the Department of Revenue;

28.1 (15) persons employed by the Department of Commerce as a peace officer in
28.2 the Insurance Fraud Prevention Division under section 45.0135 who have attained the
28.3 mandatory retirement age specified in section 43A.34, subdivision 4;

28.4 (16) employees of the University of Minnesota unless excluded under subdivision
28.5 2b, clause (3);

28.6 (17) employees of the Middle Management Association whose employment began
28.7 after July 1, 2007, and to whom section 352.029 does not apply; and

28.8 (18) employees of the Minnesota Government Engineers Council to whom section
28.9 352.029 does not apply.

28.10 (b) Employees specified in paragraph (a), clause (13), are included employees under
28.11 paragraph (a) if employer and employee contributions are made in a timely manner in the
28.12 amounts required by section 352.04. Employee contributions must be deducted from
28.13 salary. Employer contributions are the sole obligation of the employer assuming operation
28.14 of the University of Minnesota heating plant facilities or any successor organizations to
28.15 that employer.

28.16 **EFFECTIVE DATE.** This section is effective January 1, 2012.

28.17 Sec. 6. Minnesota Statutes 2008, section 473.121, subdivision 5a, is amended to read:

28.18 Subd. 5a. **Metropolitan agency.** "Metropolitan agency" means the Metropolitan
28.19 Parks and Open Space Commission, and the Metropolitan Airports Commission, ~~and~~
28.20 ~~Metropolitan Sports Facilities Commission.~~

28.21 **EFFECTIVE DATE.** This section is effective January 1, 2012.

28.22 Sec. 7. Minnesota Statutes 2008, section 473.164, is amended to read:

28.23 **~~473.164 SPORTS, AIRPORT COMMISSIONS~~ COMMISSION TO PAY**
28.24 **COUNCIL COSTS.**

28.25 Subdivision 1. **Annually reimburse.** ~~The Metropolitan Sports Facilities~~
28.26 ~~Commission and the Metropolitan Airports Commission~~ shall annually reimburse the
28.27 council for costs incurred by the council in the discharge of its responsibilities relating to
28.28 the commission. The costs may be charged against any revenue sources of the commission
28.29 as determined by the commission.

28.30 Subd. 2. **Estimates, budget, transfer.** On or before May 1 of each year, the council
28.31 shall transmit to ~~each~~ the commission an estimate of the costs which the council will
28.32 incur in the discharge of its responsibilities related to the commission in the next budget
28.33 year including, without limitation, costs in connection with the preparation, review,

29.1 implementation and defense of plans, programs and budgets of the commission. ~~Each~~ The
29.2 commission shall include the estimates in its budget for the next budget year and may
29.3 transmit its comments concerning the estimated amount to the council during the budget
29.4 review process. Prior to December 15 of each year, the amount budgeted by ~~each~~ the
29.5 commission for the next budget year may be changed following approval by the council.
29.6 During each budget year, the commission shall transfer budgeted funds to the council in
29.7 advance when requested by the council.

29.8 Subd. 3. **Final statement.** At the conclusion of each budget year, the council, in
29.9 cooperation with ~~each~~ the commission, shall adopt a final statement of costs incurred by the
29.10 council for ~~each~~ the commission. Where costs incurred in the budget year have exceeded
29.11 the amount budgeted, ~~each~~ the commission shall transfer to the council the additional
29.12 moneys needed to pay the amount of the costs in excess of the amount budgeted, and shall
29.13 include a sum in its next budget. Any excess of budgeted costs over actual costs may be
29.14 retained by the council and applied to the payment of budgeted costs in the next year.

29.15 **EFFECTIVE DATE.** This section is effective January 1, 2012.

29.16 ARTICLE 3

29.17 MINNEAPOLIS STADIUM

29.18 Section 1. Minnesota Statutes 2008, section 297A.71, is amended by adding a
29.19 subdivision to read:

29.20 Subd. 42. **Football stadium building materials.** Materials and supplies used
29.21 or consumed in, and equipment incorporated into, the construction or improvement of
29.22 the football stadium and public infrastructure constructed pursuant to sections 473.551
29.23 to 473.5814 are exempt. This subdivision expires one year after the date that the first
29.24 National Football League game is played in the stadium for materials, supplies, and
29.25 equipment used in the stadium, and five years after the issuance of the first bonds under
29.26 section 473.5812 for materials, supplies, and equipment used in the public infrastructure.

29.27 Sec. 2. **[349A.17] STADIUM OR FOOTBALL THEME GAME.**

29.28 The Minnesota lottery shall conduct an annual game based on stadium themes or
29.29 professional football themes. An amount raised from the conduct of the annual sports
29.30 themed game, equal to but not to exceed \$5,500,000 per year, from the lottery's annual
29.31 contributions to the state general fund is transferred each year to the stadium account
29.32 established in section 473.5995, subdivision 1, until the bonds sold by the Metropolitan
29.33 Council for acquisition and betterment of a football stadium have been defeased or retired.

S.F. No. 3399, as introduced - 86th Legislative Session (2009-2010) [10-6394]

30.1 Sec. 3. Minnesota Statutes 2008, section 473.551, is amended by adding a subdivision
30.2 to read:

30.3 Subd. 18. **Football stadium.** "Football stadium" means the stadium suitable for
30.4 professional football in the city of Minneapolis, designed, constructed, and financed under
30.5 sections 473.551 to 473.599, and owned by the commission.

30.6 Sec. 4. Minnesota Statutes 2008, section 473.551, is amended by adding a subdivision
30.7 to read:

30.8 Subd. 19. **Football team.** "Football team" means the National Football League
30.9 professional team known on the effective date of this section as the Minnesota Vikings, its
30.10 owners and operators, or any team owned and operated by someone who purchases or
30.11 otherwise takes ownership or control of or reconstitutes the professional football team
30.12 known as the Minnesota Vikings.

30.13 Sec. 5. Minnesota Statutes 2008, section 473.551, is amended by adding a subdivision
30.14 to read:

30.15 Subd. 20. **Development area for the football stadium.** "Development area" or
30.16 "development area for the football stadium" means the football stadium site and any
30.17 adjacent area designated by the commission.

30.18 Sec. 6. Minnesota Statutes 2008, section 473.551, is amended by adding a subdivision
30.19 to read:

30.20 Subd. 21. **Public infrastructure for the football stadium.** "Public infrastructure"
30.21 or "public infrastructure for the football stadium" means property, facilities, and
30.22 improvements determined by the commission to facilitate the development and use of the
30.23 football stadium, including but not limited to property and improvements for drainage,
30.24 environmental remediation, parking, roadways, walkways, skyways, pedestrian bridges,
30.25 bicycle paths, and transit improvements to facilitate public access to the stadium, lighting,
30.26 landscaping, utilities, streets, and streetscapes.

30.27 Sec. 7. Minnesota Statutes 2008, section 473.551, is amended by adding a subdivision
30.28 to read:

30.29 Subd. 22. **Streetscape.** "Streetscape" means improvements to streets and sidewalks
30.30 or other public right-of-way for the purpose of enhancing the movement, safety,
30.31 convenience, or enjoyment of the football stadium patrons and other pedestrians, including

31.1 decorative lighting and surfaces, plantings, display and exhibit space, adornments, seating,
31.2 and transit and bus shelters.

31.3 Sec. 8. Minnesota Statutes 2008, section 473.552, is amended to read:

31.4 **473.552 LEGISLATIVE POLICY; PURPOSE.**

31.5 The legislature finds that

31.6 (a) the population in the metropolitan area has a need for sports facilities and that this
31.7 need cannot be met adequately by the activities of individual municipalities, by agreements
31.8 among municipalities, or by the private efforts of the people in the metropolitan area,

31.9 (b) the commission's ownership and operation of the Metrodome ~~and met center~~ has
31.10 met in part the foregoing need and has promoted the economic and social interests of the
31.11 metropolitan area, of the state, and of the public, and

31.12 (c) the commission's acquisition ~~of the basketball and hockey arena,~~ construction,
31.13 and operation of a professional football stadium for use by the football team on the terms
31.14 and conditions provided in sections ~~473.598 and 473.599~~ 473.5812 to 473.5814 shall
31.15 similarly and more fully meet the foregoing needs and promote these interests.

31.16 It is therefore necessary for the public health, safety and general welfare to establish
31.17 a procedure for the acquisition and betterment of sports facilities and to create a
31.18 Metropolitan Sports Facilities Commission.

31.19 Sec. 9. Minnesota Statutes 2008, section 473.553, subdivision 2, is amended to read:

31.20 Subd. 2. **Membership.** The commission shall consist of six members, appointed
31.21 by the Minneapolis city council ~~of the city in which the stadium is located~~ plus a chair
31.22 ~~appointed~~ as provided in subdivision 3.

31.23 Sec. 10. Minnesota Statutes 2008, section 473.553, subdivision 3, is amended to read:

31.24 Subd. 3. **Chair.** ~~The chair shall be appointed by the governor as the ninth voting~~
31.25 ~~member and shall meet all of the qualifications of a member, except the chair need only~~
31.26 ~~reside outside the city of Minneapolis.~~ The mayor of the city of Minneapolis, or the
31.27 mayor's designee, shall serve as the chair of the commission. The chair shall preside at all
31.28 meetings of the commission, if present, and shall perform all other duties and functions
31.29 assigned by the commission or by law. The commission may appoint from among its
31.30 members a vice-chair to act for the chair during temporary absence or disability.

31.31 Sec. 11. Minnesota Statutes 2008, section 473.556, subdivision 5, is amended to read:

32.1 Subd. 5. **Facility operation.** The commission may equip, improve, operate,
32.2 manage, maintain, and control the Metrodome, ~~Met Center, basketball and hockey arena~~
32.3 football stadium, and sports facilities constructed, remodeled, or acquired under the
32.4 provisions of sections 473.551 to 473.599.

32.5 Sec. 12. Minnesota Statutes 2008, section 473.561, is amended to read:

32.6 **473.561 EXEMPTION FROM COUNCIL REVIEW; BUSINESS SUBSIDY**
32.7 **ACT; CHARTER LIMITATIONS.**

32.8 The acquisition and betterment of sports facilities by the commission shall be
32.9 conducted pursuant to sections 473.551 to 473.599 and shall not be affected by the
32.10 provisions of sections 473.165 and 473.173. Section 116J.994 does not apply to any
32.11 transactions of the commission, the city of Minneapolis, or other governmental entity
32.12 related to the stadium or public infrastructure, or to any tenant or other users of them. The
32.13 city of Minneapolis may spend money for acquisition, design, construction, and operation
32.14 of the football stadium, notwithstanding any limitation in its home rule charter. Actions
32.15 taken by the city under sections 473.551 to 473.599, in a planning or regulatory capacity,
32.16 actions for which fair market value reimbursement is provided or for which standard fees
32.17 are collected, and any tax exemptions established under sections 473.551 to 473.599,
32.18 are deemed not to be an expenditure or other use of city resources within the meaning
32.19 of any charter limitation.

32.20 Sec. 13. Minnesota Statutes 2008, section 473.581, subdivision 2, is amended to read:

32.21 Subd. 2. **Procedure.** The bonds shall be sold, issued, and secured in the manner
32.22 provided in chapter 475 for bonds payable solely from revenues, except as otherwise
32.23 provided in sections 473.551 to 473.595, and the council shall have the same powers and
32.24 duties as a municipality and its governing body in issuing bonds under that chapter. The
32.25 bonds may be sold at any price and at public or private sale as determined by the council.
32.26 They shall be payable solely from tax and other revenues referred to in sections 473.551 to
32.27 473.595, excepting only the ~~admissions tax and surcharge taxes and revenues~~ related to the
32.28 ~~basketball and hockey arena provided in section 473.595, subdivision 1a, the taxes for the~~
32.29 ~~basketball and hockey arena provided in section 473.592, and other revenues attributable~~
32.30 ~~to the basketball and hockey arena~~ football stadium under section 473.5812 to 473.5814.
32.31 The bonds shall not be a general obligation or debt of the council or of the commission,
32.32 and shall not be included in the net debt of any city, county, or other subdivision of the
32.33 state for the purpose of any net debt limitation, provided that nothing herein shall affect
32.34 the obligation of the city of Minneapolis to levy a tax pursuant to agreements made under

33.1 the provisions of section 473.592. No election shall be required. The principal amount
33.2 shall not be limited except as provided in subdivision 3.

33.3 Sec. 14. **[473.5812] FOOTBALL STADIUM; COUNCIL DEBT OBLIGATIONS.**

33.4 Subdivision 1. Use of bond proceeds. The council may by resolution authorize the
33.5 sale and issuance of its bonds for any or all of the following purposes:

33.6 (1) to provide funds for the acquisition or betterment of a football stadium by the
33.7 commission pursuant to sections 473.551 to 473.5814;

33.8 (2) to refund bonds issued under this section; and

33.9 (3) to fund judgments entered by any court against the commission or against the
33.10 council in matters relating to the commission's functions related to the football stadium.

33.11 Subd. 2. Amount; procedure. The council may sell and issue bonds in an amount
33.12 to be determined by the council. The bonds shall be sold, issued, and secured in the
33.13 manner provided in chapter 475 for bonds payable solely from revenues and the council
33.14 shall have the same powers and duties as a municipality and its governing body in issuing
33.15 bonds under that chapter. The bonds may be sold at any price and at public or private sale
33.16 as determined by the council. The bonds shall not be a general obligation or debt of
33.17 the council or of the commission, and shall not be included in the net debt of any city,
33.18 county, or other subdivision of the state for the purpose of any net debt limitation. No
33.19 election is required.

33.20 Subd. 3. Prerequisite. The council must not sell and issue bonds under this section
33.21 until the council determines that the criteria and conditions in section 473.5814 have
33.22 been met.

33.23 Subd. 4. Security; maturity. The council may pledge to the payment of the bonds
33.24 money in the escrow account and money pledged by the city of Minneapolis under section
33.25 473.5814, money appropriated to the council in the football stadium account in section
33.26 473.5995, and any other revenues from leases, rents, or other sources available to the
33.27 council for debt service. Notwithstanding section 475.54, the bonds may mature at not
33.28 later than 40 years from the date of issue, or the useful life of the asset, whichever is less.
33.29 The bonds must recite that they are issued under this section and section 473.5814, and
33.30 the recital is conclusive as to the validity of the bonds and the imposition and pledge of
33.31 the revenues for their payment.

33.32 Sec. 15. **[473.5814] CRITERIA AND CONDITIONS.**

33.33 Subdivision 1. Binding and enforceable. In developing the stadium and entering
33.34 into related contracts, the commission must follow and enforce the criteria and conditions

34.1 in this section, provided that a determination by the council that those criteria or conditions
34.2 have been met under any agreement or otherwise shall be conclusive. All financing and
34.3 use agreements between the council, commission, city of Minneapolis, and the football
34.4 team must be executed by September 1, 2010.

34.5 Subd. 2. **Football team contribution.** The football team must agree to deposit into
34.6 an escrow account an amount sufficient to pay at least the first ten years of debt service
34.7 on bonds issued by the council under section 473.5812. Money in the escrow account is
34.8 for the sole benefit and purpose of paying debt service on bonds issued by the council for
34.9 acquisition and betterment of a football stadium.

34.10 Subd. 3. **Minneapolis hospitality taxes pledged.** After the bonds issued to build
34.11 the Minneapolis Convention Center have been defeased or retired, the city of Minneapolis
34.12 must agree to pay to the commission or council 58.5 percent of the money raised under
34.13 Laws 1986, chapter 396, section 4, as amended in this act. The commission or council
34.14 must use this money only to pay capital and operating costs, including any debt service
34.15 due, of the football stadium constructed under this chapter.

34.16 Subd. 4. **Local sales tax exemption.** No local sales or use tax may be imposed on
34.17 sales at the stadium site, except a general sales tax permitted under section 297A.99.

34.18 Subd. 5. **Lease or use agreements; 40-year term.** The commission must enter into
34.19 a long-term lease or use agreement with the football team for the football team's use of
34.20 the stadium. The football team must agree to play all regularly scheduled and postseason
34.21 home games at the stadium. Preseason games may also be scheduled and played at the
34.22 stadium. The lease or use agreement must be for a term of at least 40 years from the
34.23 date of stadium completion. The lease or use agreement must include terms for default,
34.24 termination, and breach of the agreement. Recognizing that the presence of professional
34.25 football provides to the state of Minnesota and its citizens highly valued, intangible
34.26 benefits that are virtually impossible to quantify and, therefore, not recoverable in the
34.27 event of a football team owner's breach of contract, the lease and use agreements must
34.28 provide for specific performance and injunctive relief to enforce provisions relating to use
34.29 of the stadium for professional football and must not include escape clauses or buyout
34.30 provisions. The football team must not enter into or accept any agreement or requirement
34.31 with or from the National Football League or any other entity that is inconsistent with
34.32 the football team's binding commitment to the 40-year term of the lease or use agreement
34.33 or that would in any manner dilute, interfere with, or negate the provisions of the lease
34.34 or use agreement that includes a specific performance clause, providing for specific
34.35 performance or injunctive relief. The legislature conclusively determines, as a matter of

35.1 public policy, that the lease or use agreement, and any grant agreement under this chapter
35.2 that includes a specific performance clause:

35.3 (1) explicitly authorize specific performance as a remedy for breach;

35.4 (2) are made for adequate consideration and upon terms which are otherwise fair
35.5 and reasonable;

35.6 (3) have not been included through sharp practice, misrepresentation, or mistake;

35.7 (4) if specifically enforced, do not cause unreasonable or disproportionate hardship
35.8 or loss to the football team or to third parties; and

35.9 (5) involve performance in such a manner and the rendering of services of such
35.10 a nature and under such circumstances that the beneficiary cannot be adequately
35.11 compensated in damages.

35.12 Subd. 6. **Lease or use agreements; revenues; payments.** The commission must
35.13 provide in the lease or use agreements with the football team that the football team pay
35.14 for use of the stadium as follows: an amount to be determined by the commission in the
35.15 first year, and an amount each year thereafter necessary to cover actual and projected
35.16 operational costs. The commission must agree to provide for the football team to receive
35.17 all game-day revenues, suite revenues, and proceeds from the sale of naming rights. The
35.18 agreement must provide for the commission to receive all general ticket revenues from
35.19 nonprofessional football games or events.

35.20 Subd. 7. **Notice of breach or default.** Until 40 years from the date of stadium
35.21 completion, the football team must provide written notice to the commission not less than
35.22 90 days prior to any action, including any action imposed upon the football team by the
35.23 National Football League, that would result in a breach or default of provisions of the
35.24 lease or use agreements required to be included under this section. If this notice provision
35.25 is violated and the football team has already breached or been in default under the required
35.26 provisions, the commission or the state of Minnesota is authorized to specifically enforce
35.27 the lease or use agreement and Minnesota courts are authorized and directed to fashion
35.28 equitable remedies so that the football team may fulfill the conditions of the lease and use
35.29 agreements including, but not limited to, remedies against the National Football League.

35.30 Subd. 8. **Enforceable financial commitments.** The commission must determine
35.31 before stadium construction begins that all public and private funding sources for
35.32 construction of the stadium are included in written agreements. The committed funds must
35.33 be adequate to acquire, design, construct, furnish, and equip the stadium.

35.34 Subd. 9. **Council and commission access to football team financial information.**
35.35 The lease or use agreement must provide the council and commission access to annual
35.36 audited financial statements of the football team and other financial books and records that

36.1 the council or commission deems necessary to determine compliance by the football team
36.2 with sections 473.551 to 473.599, and to enforce the terms of any lease or use agreements
36.3 entered into under sections 473.551 to 473.599. Any financial information obtained by the
36.4 authority under this subdivision is nonpublic data under section 13.02, subdivision 9.

36.5 Subd. 10. **Environmental planning and zoning.** (a) The commission shall be the
36.6 responsible governmental unit for any environmental impact statement for the football
36.7 stadium prepared under section 116D.04. Notwithstanding section 116D.04, subdivision
36.8 2b, and implementing rules: (1) the environmental impact statement shall not be required
36.9 to consider alternative football stadium sites; and (2) the environmental impact statement
36.10 must be determined to be adequate before commencing work on the foundation of the
36.11 football stadium, but the football stadium and public infrastructure may otherwise be
36.12 started and all preliminary and final government decisions and actions may be made and
36.13 taken, including but not limited to acquiring land, obtaining financing, granting permits
36.14 or other land use approvals, entering into grant, lease, or use agreements, or preparing
36.15 the site or related public infrastructure prior to a determination of the adequacy of the
36.16 environmental impact statement.

36.17 (b) In order to accomplish the objectives of sections 473.551 to 473.599 within
36.18 the shortest possible time frame, it is necessary to establish an alternative process for
36.19 municipal land use and development review. It is hereby found and declared that the
36.20 construction of a football stadium within the development area is consistent with the
36.21 adopted area plan, is the preferred football stadium location, and is a permitted land use.
36.22 This subdivision establishes a procedure for all land use and development reviews and
36.23 approvals by the municipality for the football stadium and public infrastructure and
36.24 supersedes all land use and development rules and restrictions and procedures imposed
36.25 by other law, charter, or ordinance, including without limitation section 15.99. No later
36.26 than 30 days after enactment, the commission shall establish a stadium implementation
36.27 committee to make recommendations on the design plans submitted for the stadium,
36.28 public infrastructure and related improvements, including but not limited to street
36.29 vacation, parking, roadways, walkways, skyways, pedestrian bridges, bicycle paths,
36.30 transit improvements to facilitate public street access to the stadium and integration into
36.31 the transportation plan for the municipality and the region, lighting, landscaping, utilities,
36.32 streets, drainage, environmental remediation, and land acquired and prepared for private
36.33 redevelopment in a manner related to the use of the football stadium. The implementation
36.34 committee must take action to issue its recommendations within the time frames
36.35 established in the planning and construction timetable issued by the commission which
36.36 shall provide for no less than 60 days for the committee's review. The recommendations

37.1 of the implementation committee shall be forwarded to the municipality's planning
37.2 commission for an advisory recommendation and then to the municipality's governing
37.3 body for final action in a single resolution, which final action must be taken within 45 days
37.4 of the submission of the recommendations to the planning commission. The governing
37.5 body of the municipality shall not impose any unnecessary or unreasonable conditions on
37.6 the recommendations of the implementation committee, nor take any action or impose any
37.7 conditions that will result in delay from the time frames established in the planning and
37.8 construction timetable or in additional overall costs. Failure of the governing body to act
37.9 within the 45-day period is deemed to be approval. The commission may seek de novo
37.10 review in the district court of any city council action. The district court or any appellate
37.11 court shall expedite review to the maximum extent possible and timely issue relief, orders,
37.12 or opinions as necessary to give effect to the provisions and objectives in this article.

37.13 Subd. 11. **No strikes; lockouts.** The commission must negotiate a public sector
37.14 project labor agreement or other agreement to prevent strikes and lockouts that would halt,
37.15 delay, or impede construction of the stadium and related facilities.

37.16 Subd. 12. **Football team name retained.** The lease or use agreement must provide
37.17 that the football team and National Football League will transfer to the state of Minnesota
37.18 the Minnesota Vikings' heritage and records, including the name, logo, colors, history,
37.19 playing records, trophies, and memorabilia in the event of any dissolution or relocation
37.20 of the Vikings franchise.

37.21 Subd. 13. **Public share on sale of team.** The lease or use agreement must provide
37.22 that, if the team is sold after the effective date of this article, a portion of the sale price
37.23 must be paid to the commission and deposited in a reserve fund for improvements to the
37.24 stadium or expended as the commission may otherwise direct. The portion required to
37.25 be paid to the commission is 18 percent of the gross sale price, declining to zero ten
37.26 years after commencement of stadium construction in increments of 1.8 percent each
37.27 year. The agreement must provide exceptions for sales to members of the owner's family
37.28 and entities and trusts beneficially owned by family members, sales to employees of
37.29 equity interests aggregating up to ten percent, and sales related to capital infusions not
37.30 distributed to the owners.

37.31 Sec. 16. Minnesota Statutes 2008, section 473.5995, is amended by adding a
37.32 subdivision to read:

37.33 Subd. 3. **Account funds appropriated.** All money in the stadium account is
37.34 appropriated to the council to pay debt service on bonds issued by the council for the

S.F. No. 3399, as introduced - 86th Legislative Session (2009-2010) [10-6394]

38.1 acquisition and betterment of a football stadium, as authorized in sections 473.5812 to
38.2 473.5814. Money in this account may be pledged to the repayment of the debt.

38.3 Sec. 17. Laws 1986, chapter 396, section 4, subdivision 3, is amended to read:

38.4 Subd. 3. **Use of property.** Revenues received from the tax may only be used:

38.5 (1) to pay costs of collection;

38.6 (2) to pay or secure the payment of any principal of, premium or interest on bonds
38.7 issued in accordance with this act;

38.8 (3) to pay costs to acquire, design, equip, construct, improve, maintain, operate,
38.9 administer, or promote the convention center or related facilities, including financing
38.10 costs related to them;

38.11 (4) to pay capital or operating costs of a stadium designed for professional football,
38.12 or for infrastructure and facilities related to a stadium designed for professional football,
38.13 located in the city of Minneapolis;

38.14 (5) to pay for the provision of police and fire protection service in the downtown
38.15 taxing district;

38.16 (6) to pay capital and operating costs of the Target Center, or to defease or retire
38.17 outstanding debt issued for the Target Center;

38.18 ~~(4)~~ (7) to pay reasonable and appropriate costs determined by the city to replace
38.19 housing removed from the site; and

38.20 ~~(5)~~ (8) to maintain reserves for the foregoing purposes deemed reasonable and
38.21 appropriate by the city.

38.22 In the event of any amendment to chapter 297A enacted subsequent to the effective date
38.23 of this act which exempts sales or uses which were taxable under chapter 297A on the
38.24 effective date of this act, the city may by ordinance extend the tax authorized hereby to
38.25 any such sales or uses provided that the city council shall have determined that such
38.26 extension is necessary to provide revenues for the uses to which taxes may be applied
38.27 under this section and further provided that, in the estimation of the city council, the
38.28 aggregate annual collections following such extension will not exceed the aggregate
38.29 annual collections which would have been generated if chapter 297A, as in effect on the
38.30 effective date of this act, were then in effect. Any revenue bonds issued in accordance
38.31 with this act may, with the consent of the city council, contain a covenant that the tax will
38.32 be so extended to the extent necessary to pay principal and interest on the bonds when due.

38.33 Money for replacement housing shall be made available by the city only for new
38.34 construction, conversion of nonresidential buildings, and for rehabilitation of vacant
38.35 residential structures, only if all of the units in the newly constructed building, converted

S.F. No. 3399, as introduced - 86th Legislative Session (2009-2010) [10-6394]

39.1 nonresidential building, or rehabilitated residential structure are to be used for replacement
39.2 housing.

39.3 Sec. 18. **EFFECTIVE DATE.**

39.4 This article is effective the day following final enactment.

APPENDIX
Article locations in 10-6394

ARTICLE 1	MINNESOTA STADIUM AUTHORITY	Page.Ln 1.17
ARTICLE 2	CONFORMING CHANGES	Page.Ln 24.1
ARTICLE 3	MINNEAPOLIS STADIUM	Page.Ln 29.16