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- Farmer's Market Site
- Metrodome Redevelopment
- The "MEC"



# Farmer's Market VS Metrodome Site Comparison

# Farmer's Market Site Location



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# Metrodome Site Location



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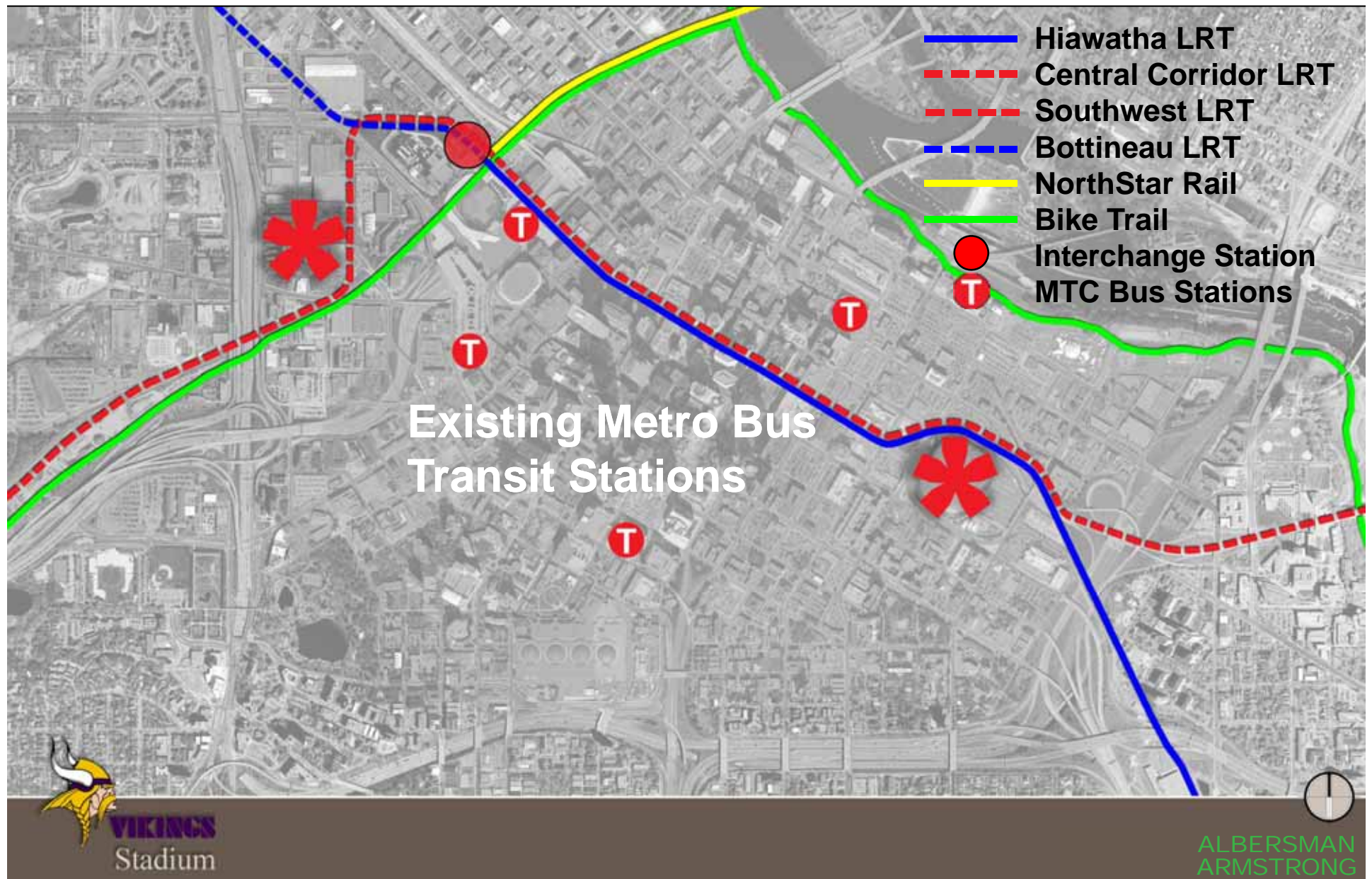
# Issues:

- Rail, Bus and Bike
- Parking / Roadway Access
- Skyway System
- Bars and Restaurants
- Redevelopment Need
- Highest and Best Use
- Land Value
- Interim Location
- Land Assembly

# Rail, Bus and Bike



# Rail, Bus and Bike



# Issues:

	Farmer's <u>Market Site</u>	<u>Metrodome Site</u>
■ Rail, Bus and Bike	+	-
■ Parking / Roadway Access		
■ Skyway System		
■ Bars and Restaurants		
■ Redevelopment Need		
■ Highest and Best Use		
■ Land Value		
■ Interim Location		
■ Land Assembly		

# Farmer's Market Site – Parking



Source: City of Minneapolis, and aerial survey using Google Earth Pro

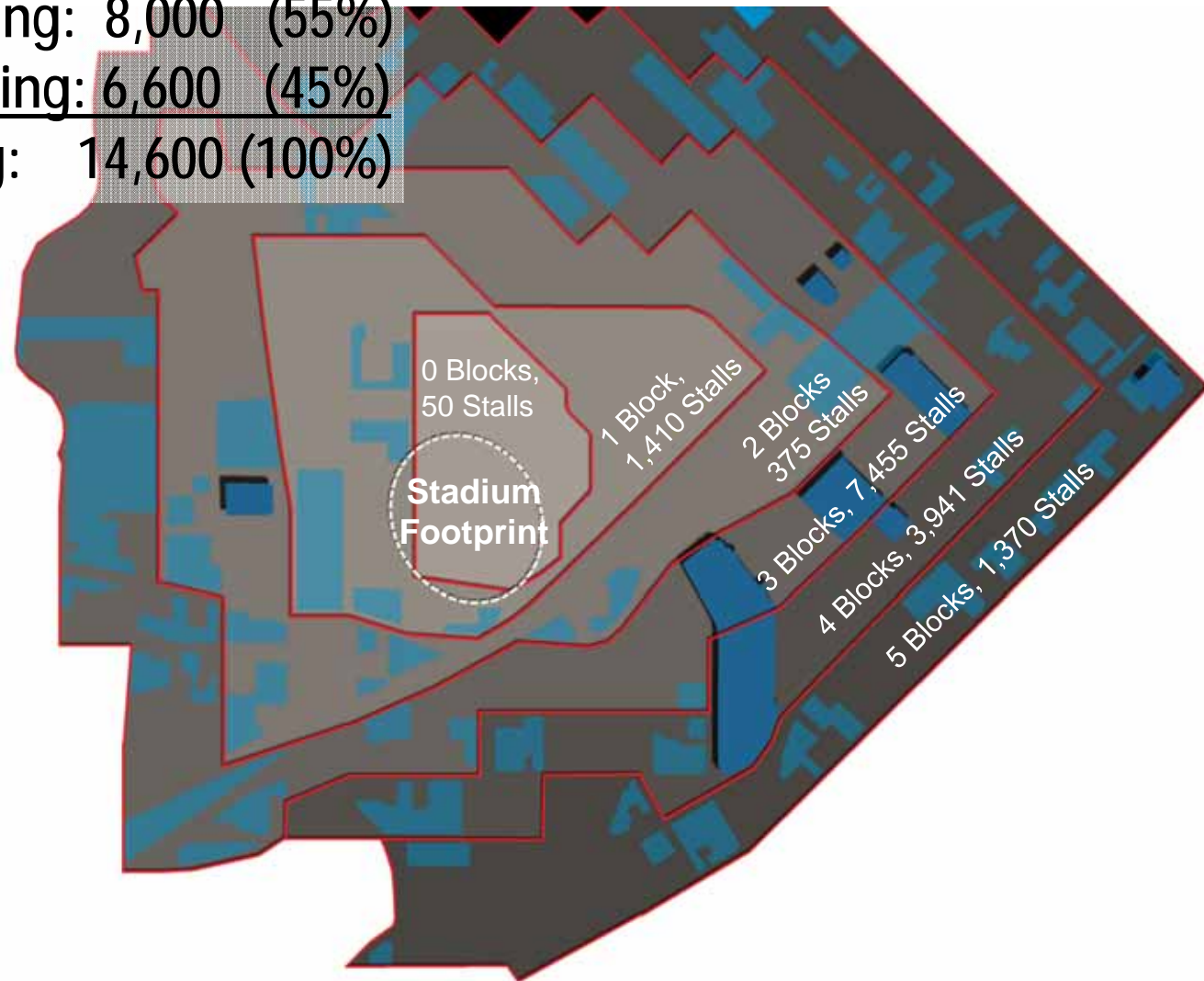
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# Farmer's Market Site – Parking

Garage Parking: 8,000 (55%)

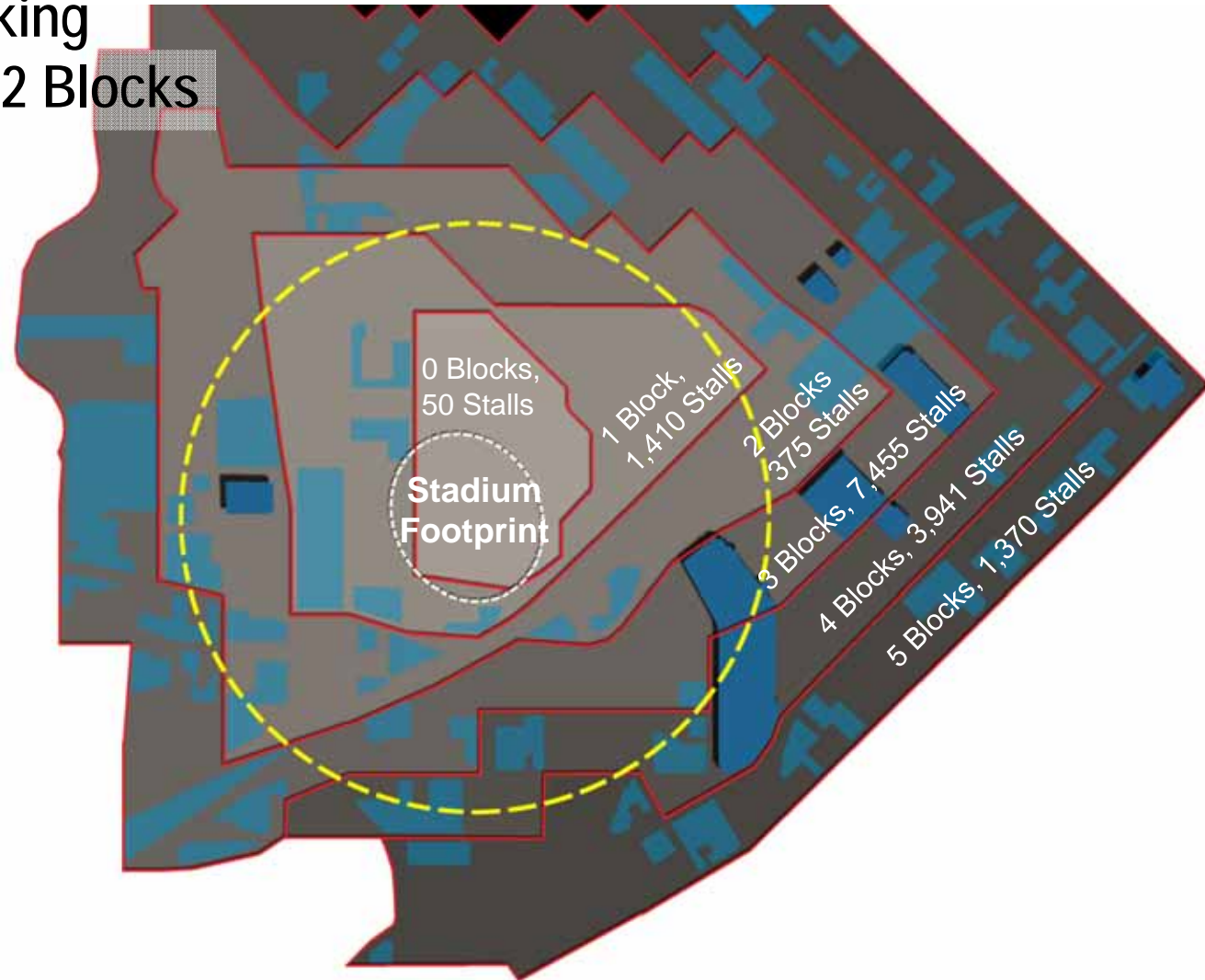
Surface Parking: 6,600 (45%)

Total Parking: 14,600 (100%)



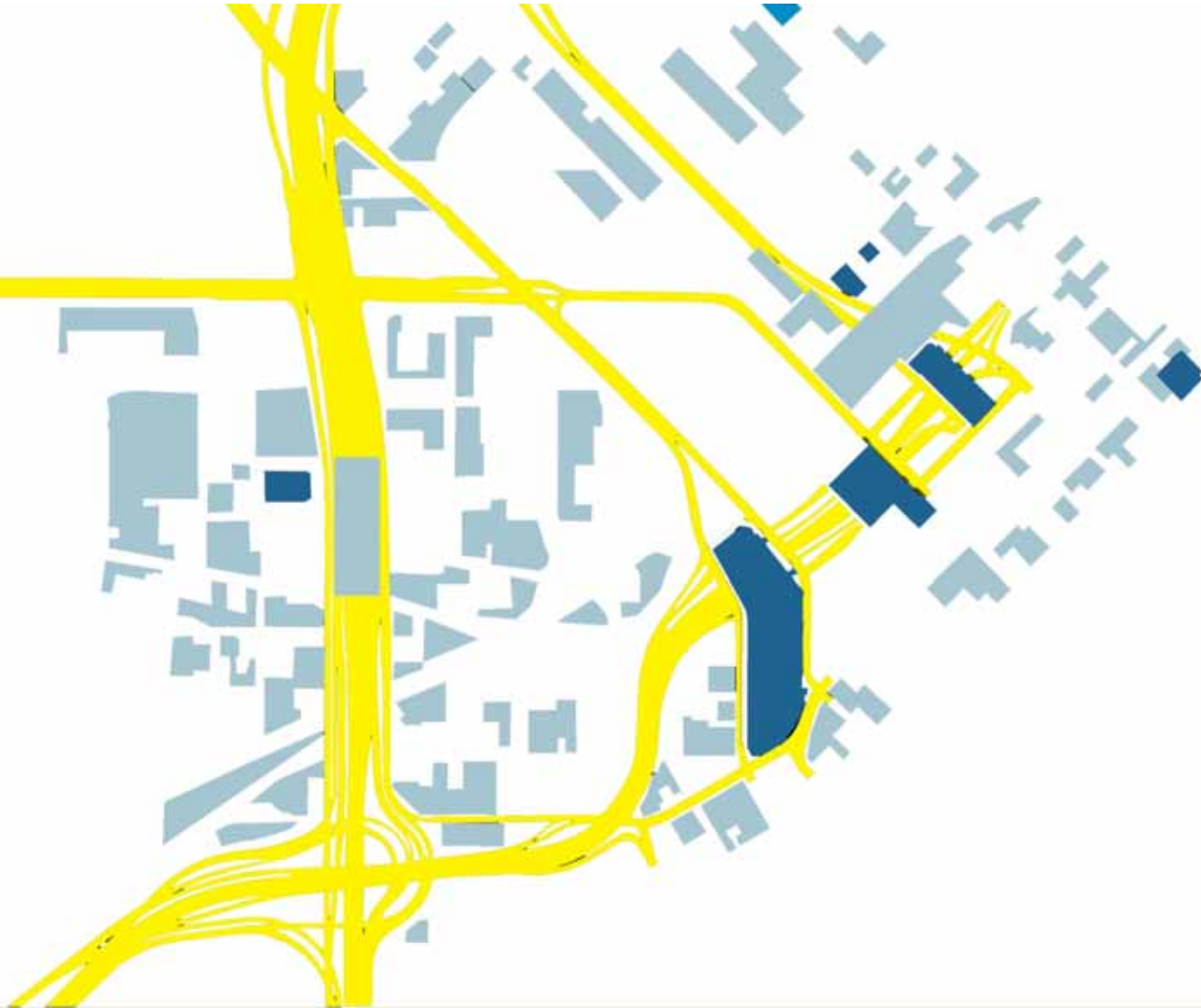
# Farmer's Market Site – Parking

Average Walking  
Distance = 3.2 Blocks



# Farmer's Market Site – Roadway Access

53% of all  
parking  
has direct  
freeway  
access



# Metrodome Site – Parking



Source: City of Minneapolis, and aerial survey using Google Earth Pro

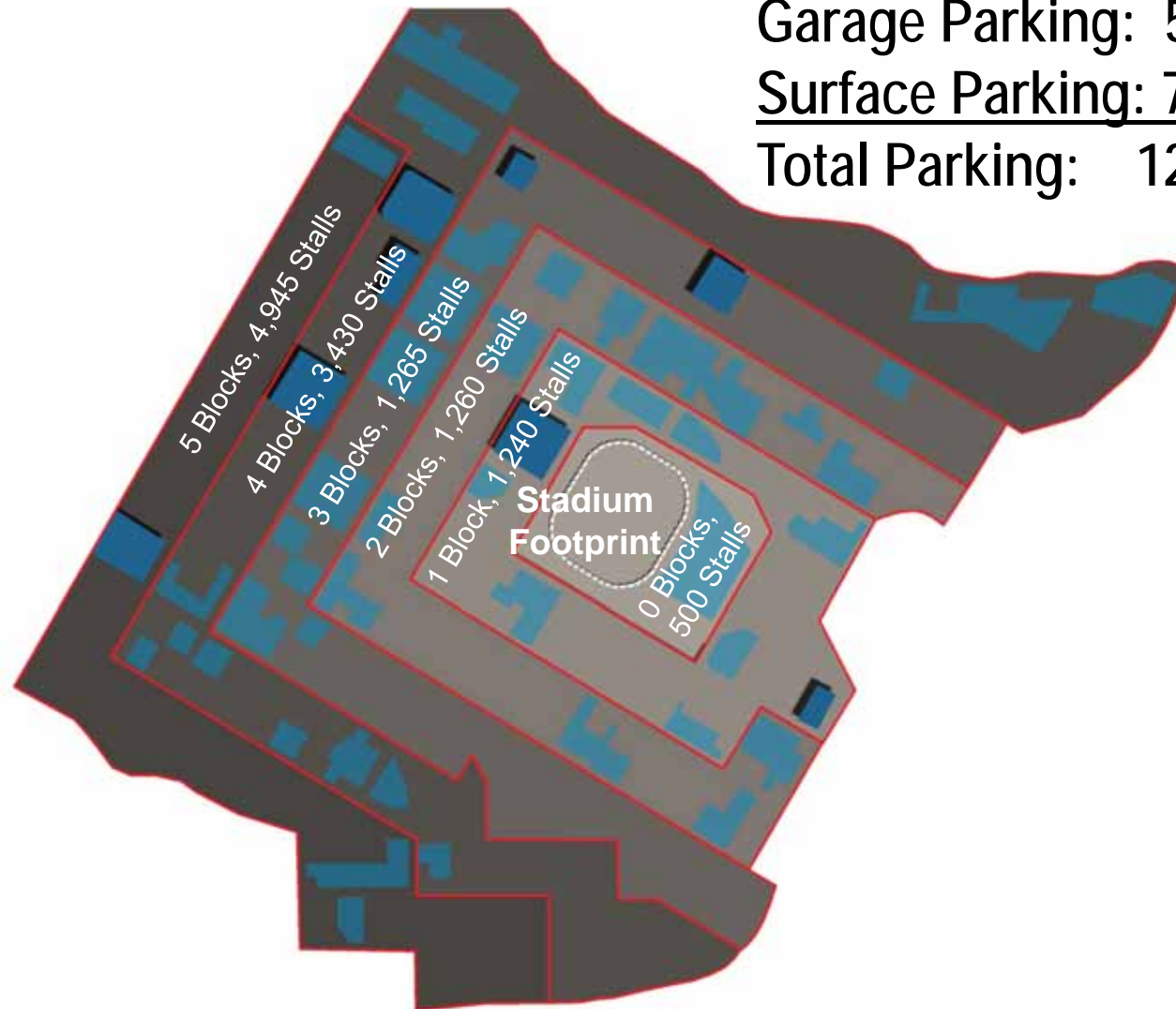
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# Metrodome Site – Parking

Garage Parking: 5,600 (44%)

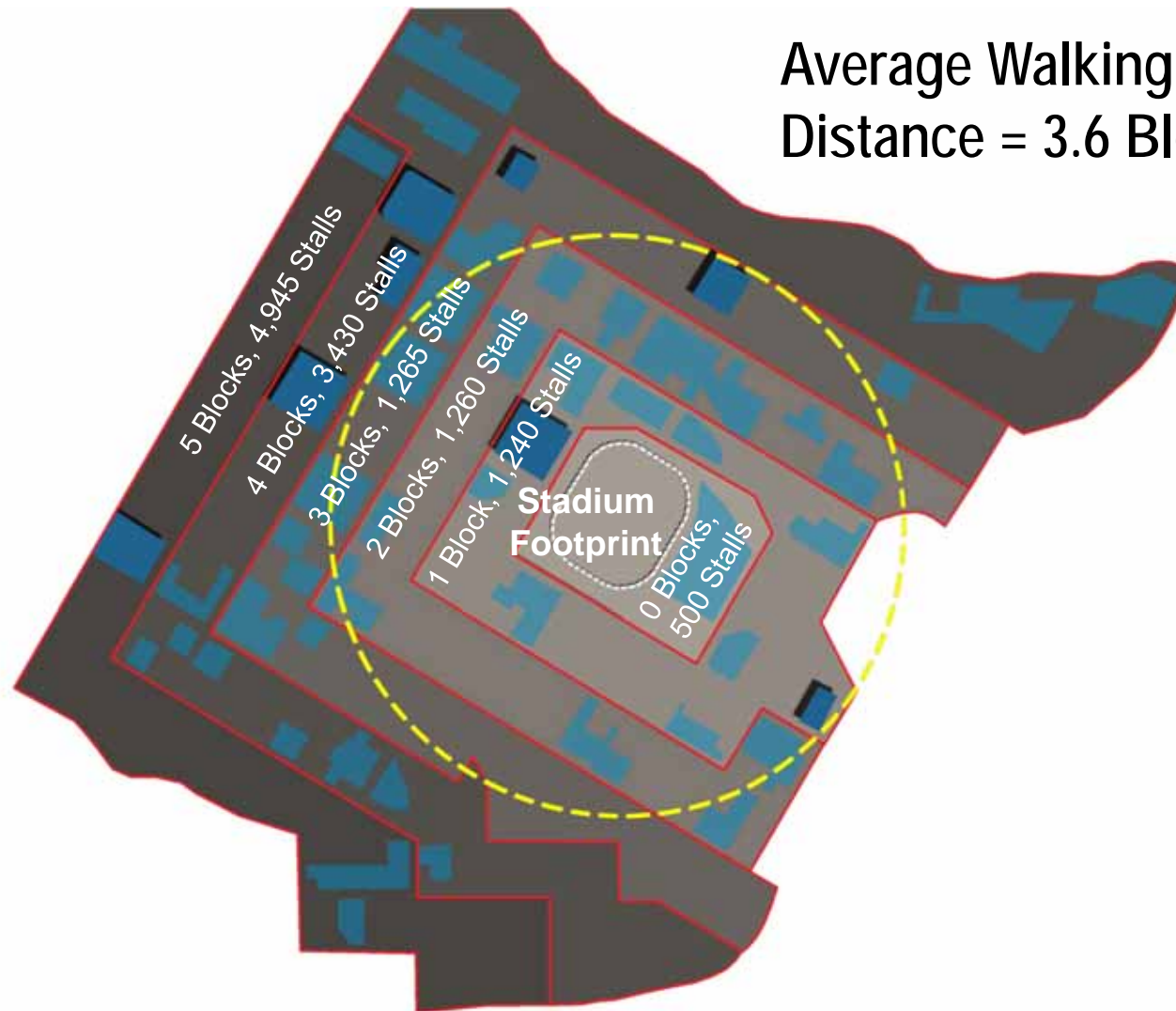
Surface Parking: 7,000 (56%)

Total Parking: 12,600 (100%)



# Metrodome Site – Parking

Average Walking  
Distance = 3.6 Blocks



# Metrodome Site – Roadway Access

10% of all  
parking  
has direct  
freeway  
access



# Issues:

	Farmer's <u>Market Site</u>	<u>Metrodome Site</u>
■ Rail, Bus and Bike	+	-
■ Parking / Roadway Access	+	-
■ Skyway System		
■ Bars and Restaurants		
■ Redevelopment Need		
■ Interim Location		
■ Interim Location		
■ Land Value		
■ Land Assembly		

# Farmer's Market Site – Skyway System



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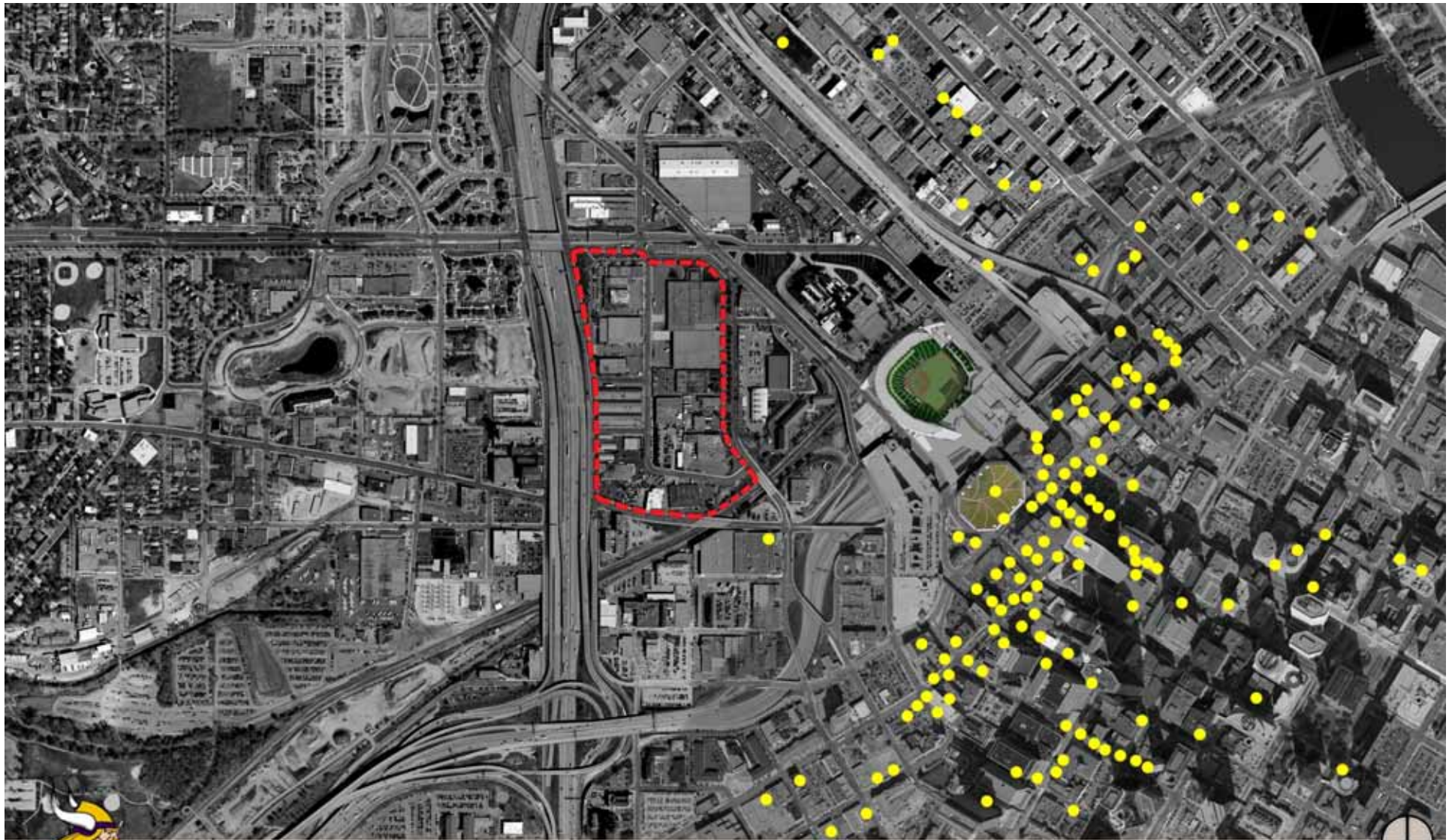
# Metrodome Site – Skyway System



# Issues:

	<u>Farmer's Market Site</u>	<u>Metrodome Site</u>
■ Rail, Bus and Bike	+	-
■ Parking / Roadway Access	+	-
■ Skyway System	+	-
■ Bars and Restaurants		
■ Redevelopment Need		
■ Highest and Best Use		
■ Land Value		
■ Interim Location		
■ Land Assembly		

# Farmer's Market Site – Bars and Restaurants



# Metrodome Site – Bars and Restaurants



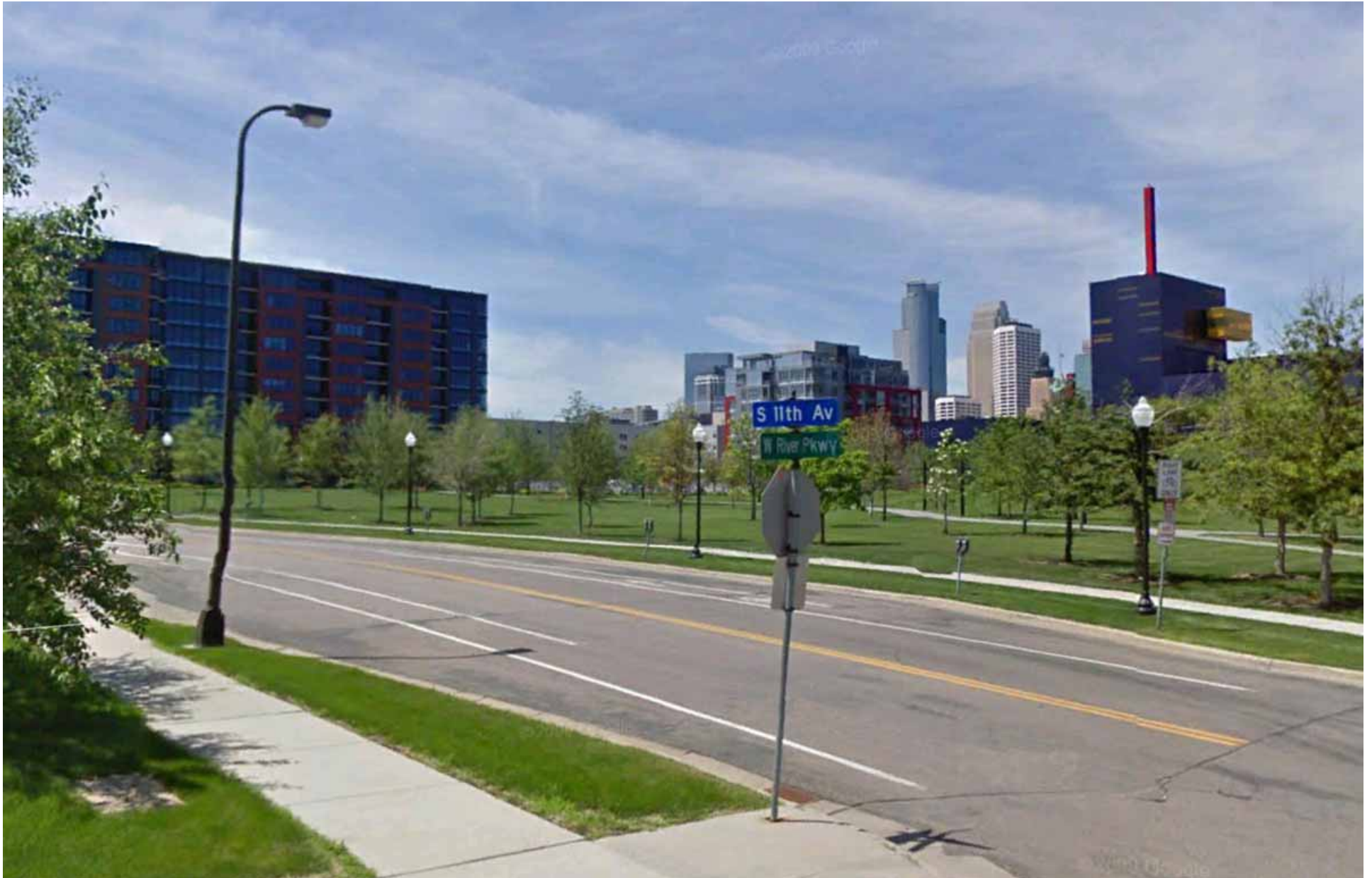
# Issues:

	Farmer's <u>Market Site</u>	<u>Metrodome Site</u>
■ Rail, Bus and Bike	+	-
■ Parking / Roadway Access	+	-
■ Skyway System	+	-
■ Bars and Restaurants	+	-
■ Redevelopment Need		
■ Highest and Best Use		
■ Land Value		
■ Interim Location		
■ Land Assembly		

# Farmer's Market Site – Redevelopment Need



# Metrodome Site – Redevelopment Need



# Metrodome Site – Redevelopment Need



# Issues:

	<u>Farmer's Market Site</u>	<u>Metrodome Site</u>
■ Rail, Bus and Bike	+	-
■ Parking / Roadway Access	+	-
■ Skyway System	+	-
■ Bars and Restaurants	+	-
■ Redevelopment Need	+	-
■ Highest and Best Use		
■ Land Value		
■ Interim Location		
■ Land Assembly		

# Farmer's Market Site – Highest and Best Use



# Farmer's Market Site – Highest and Best Use



# Farmer's Market Site – Highest and Best Use



# Issues:

	<u>Farmer's Market Site</u>	<u>Metrodome Site</u>
■ Rail, Bus and Bike	+	-
■ Parking / Roadway Access	+	-
■ Skyway System	+	-
■ Bars and Restaurants	+	-
■ Redevelopment Need	+	-
■ Highest and Best Use	+	-
■ Land Value		
■ Interim Location		
■ Land Assembly		

# City of Mpls Land Cost Analysis:

	Farmer's Market Site		Metrodome Site	
	<u>Low Estimate</u>	<u>High Estimate</u>	<u>Low Estimate</u>	<u>High Estimate</u>
Infrastructure:	\$69 Million	\$181 Million	\$30 Million	\$70 Million
Property Acquisition:	\$47 Million	\$47 Million	\$0	\$0
Demolition:	\$3 Million	\$4 Million	\$3 Million	\$4 Million
Totals:	\$119 Million	\$232 Million	\$33 Million	\$74 Million
Difference:	\$86 Million more than Metrodome	\$158 Million more than Metrodome		

Source: Jim Nelson of Eberhardt Advisory

# Land Valuation Comparison:

	Farmer's Market Site		Metrodome Site	
	<u>Value/S.F.</u> <sup>1</sup>	<u>Value</u>	<u>Value/S.F.</u> <sup>1</sup>	<u>Value</u>
Assessed Market Value:	\$14.84	\$16,160,000	\$32.58	\$35,480,000
Recent Sales:	\$17.25	\$18,785,000	No Recent Sales <sup>3</sup>	
100% Cost Premium: <sup>2</sup>	\$29.68	\$32,320,000	\$65.16	\$70,960,000

Source: Hennepin County Assessor's Office

<sup>1</sup> Based on 25 Acres

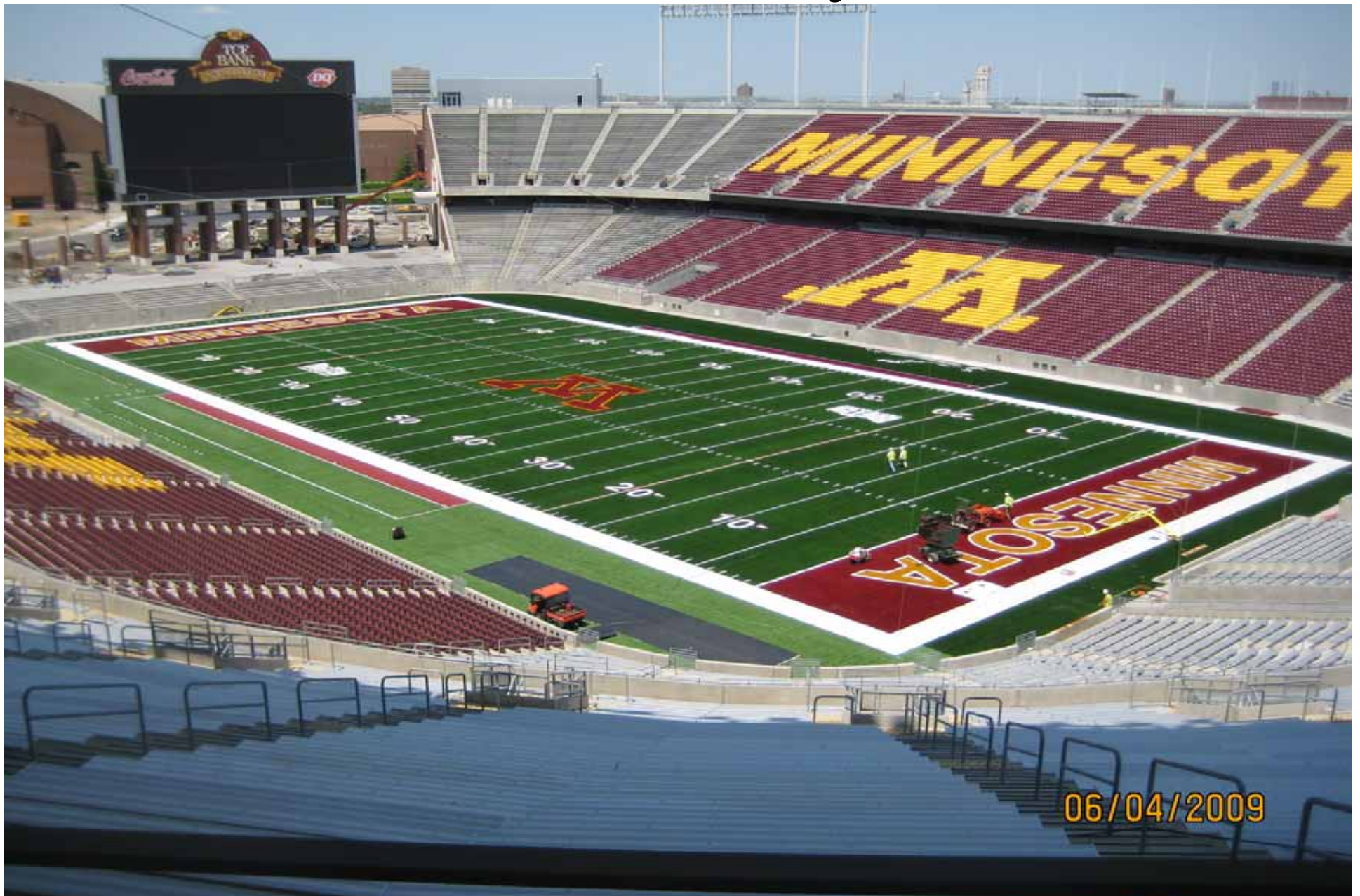
<sup>2</sup> 100% increase over assessors market value.

<sup>3</sup> Option in 2001 of bare land for \$48.sq.ft

# Issues:

	<u>Farmer's Market Site</u>	<u>Metrodome Site</u>
■ Rail, Bus and Bike	+	-
■ Parking / Roadway Access	+	-
■ Skyway System	+	-
■ Bars and Restaurants	+	-
■ Redevelopment Need	+	-
■ Highest and Best Use	+	-
■ Land Value	+	-
■ Interim Location		
■ Land Assembly		

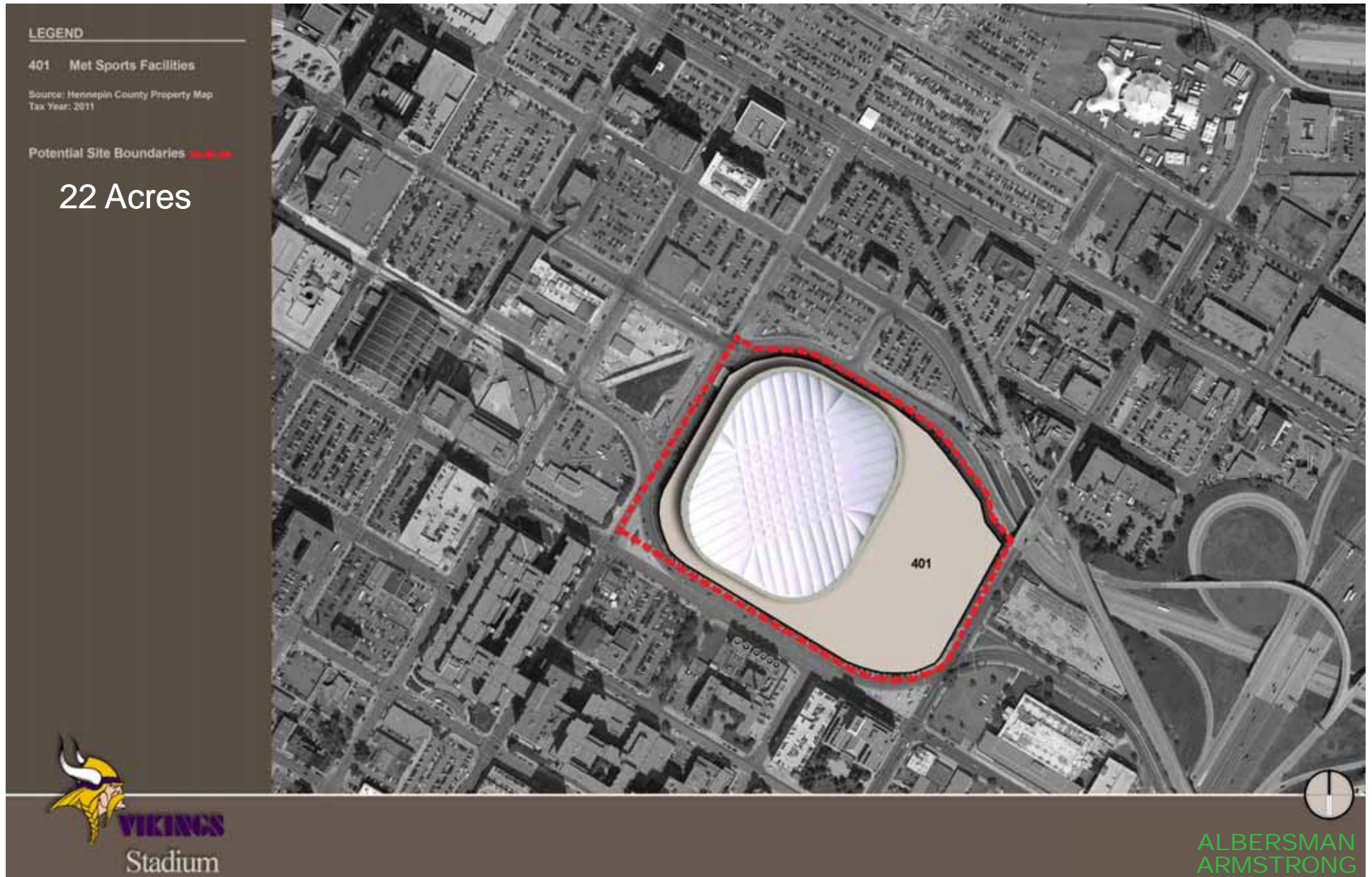
Interim Location (est. \$15 million/year)



# Issues:

	<u>Farmer's Market Site</u>	<u>Metrodome Site</u>
■ Rail, Bus and Bike	+	-
■ Parking / Roadway Access	+	-
■ Skyway System	+	-
■ Bars and Restaurants	+	-
■ Redevelopment Need	+	-
■ Highest and Best Use	+	-
■ Land Value	+	-
■ Interim Location	+	-
■ Land Assembly	+	-

# Land Assembly - Metrodome



# Land Assembly – Farmer's Market



# Issues:

	<u>Farmer's Market Site</u>	<u>Metrodome Site</u>
■ Rail, Bus and Bike	+	-
■ Parking / Roadway Access	+	-
■ Skyway System	+	-
■ Bars and Restaurants	+	-
■ Redevelopment Need	+	-
■ Highest and Best Use	+	-
■ Land Value	+	-
■ Interim Location	+	-
■ Land Assembly	-	+

# Summary:

- Selecting the best location is more important than simple implementation
- A good location with flaws can be fixed, a flawless plan in a bad location cannot
- The stadium on the Metrodome site is not compatible with current emerging development
- Farmer's Market site would give much needed boost to this area of North Minneapolis



# Farmer's Market Site Stadium Sizing Comparison

# The Farmer's Market Site Boundaries



# Ford Field – Detroit Lions



# Mall of America Field – Minnesota Vikings



Seating Capacity: 64,111

Year Opened: 1982

Footprint Acres: 15

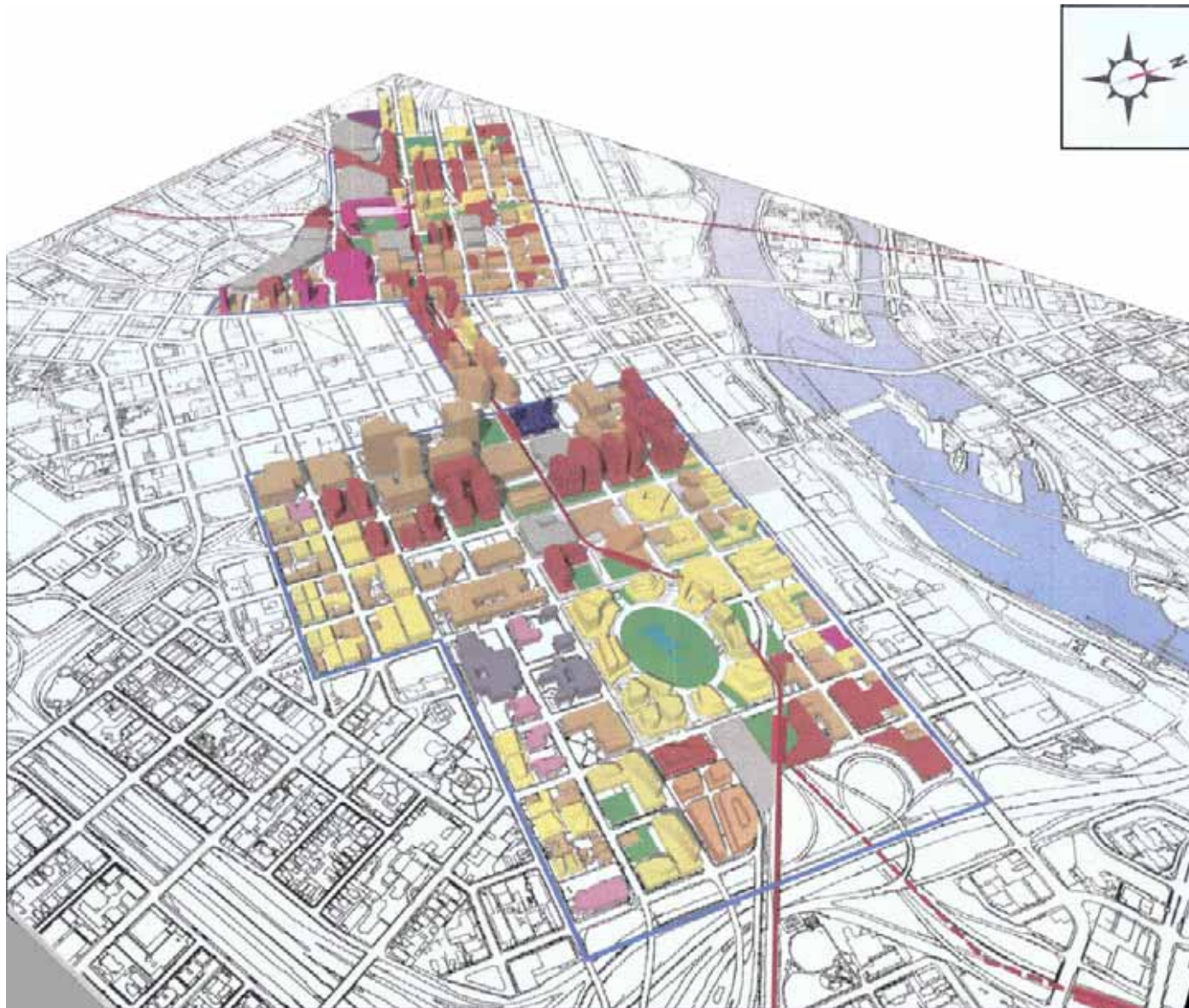


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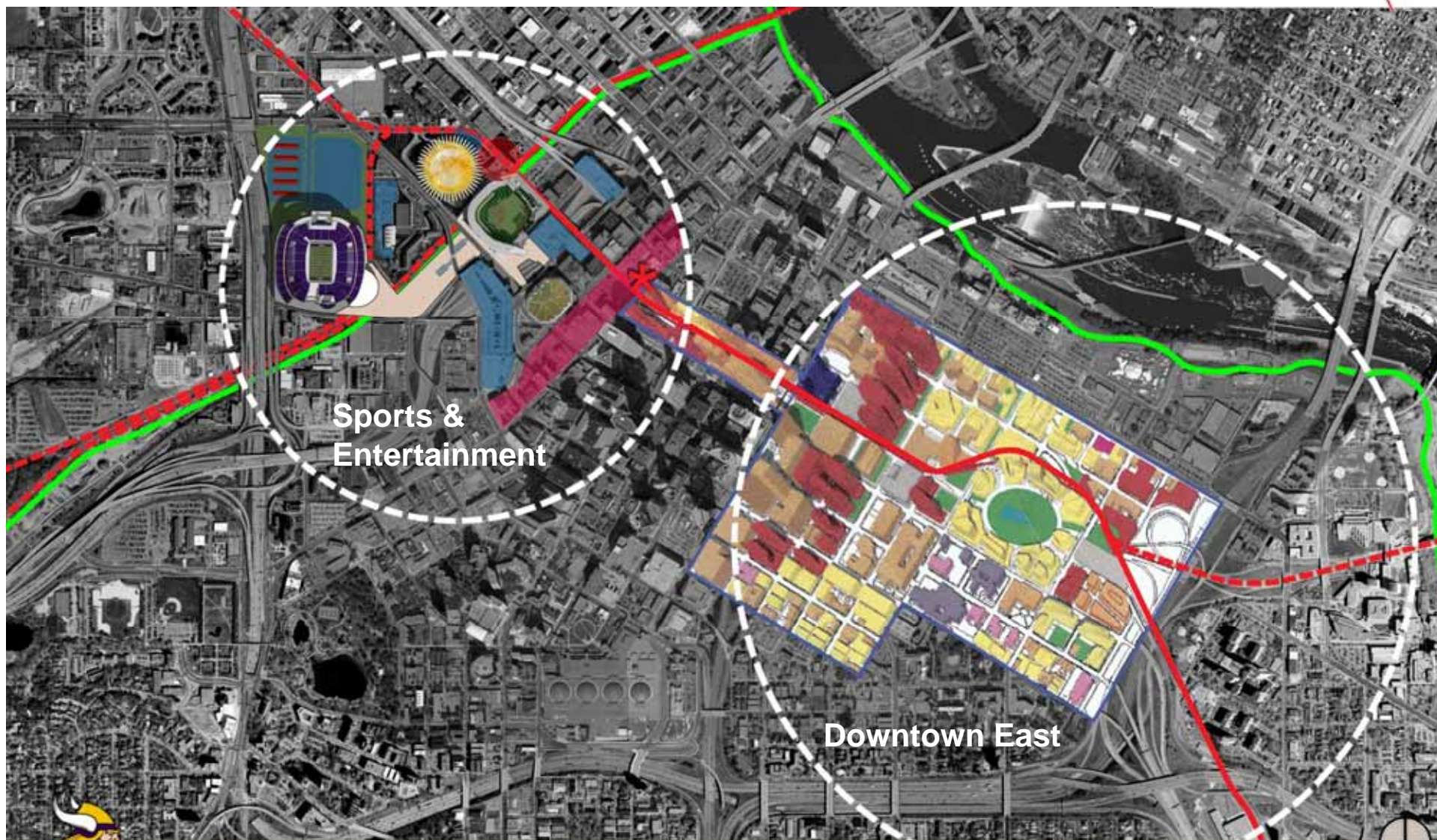
# Downtown East / North Loop Master Plan

## Adopted October 2003



# Downtown East / North Loop Master Plan Adopted October 2003



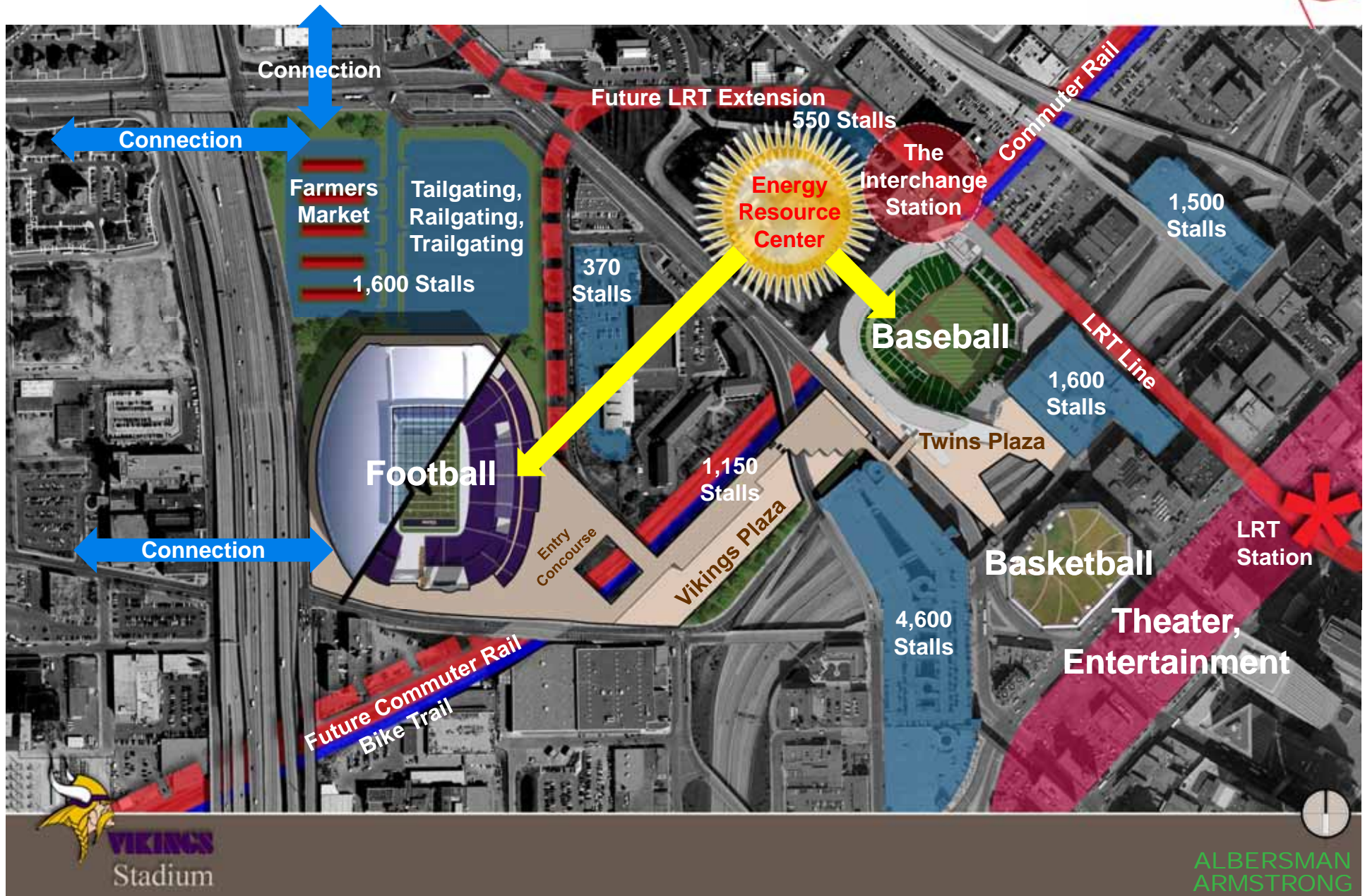


# Site

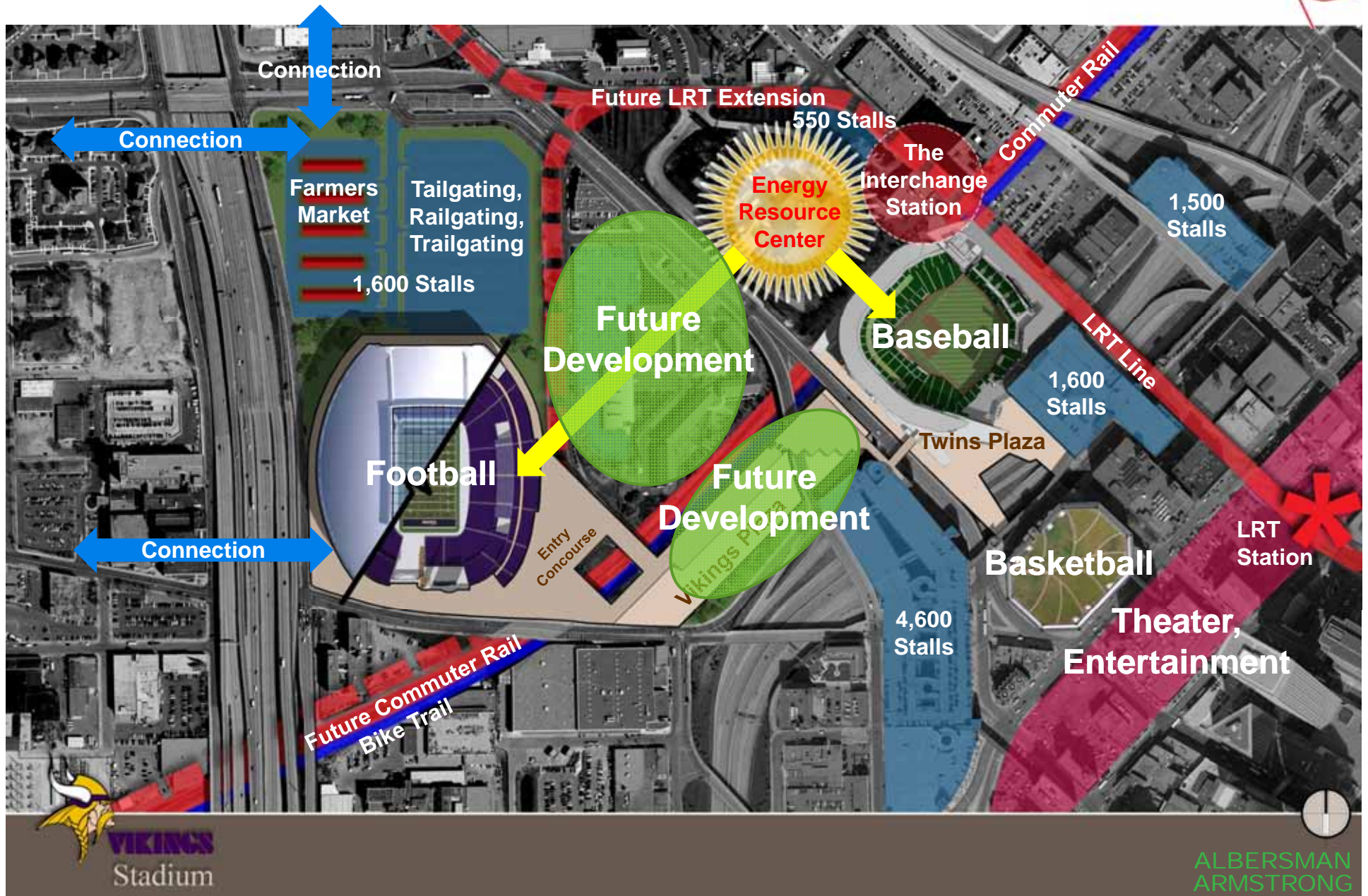


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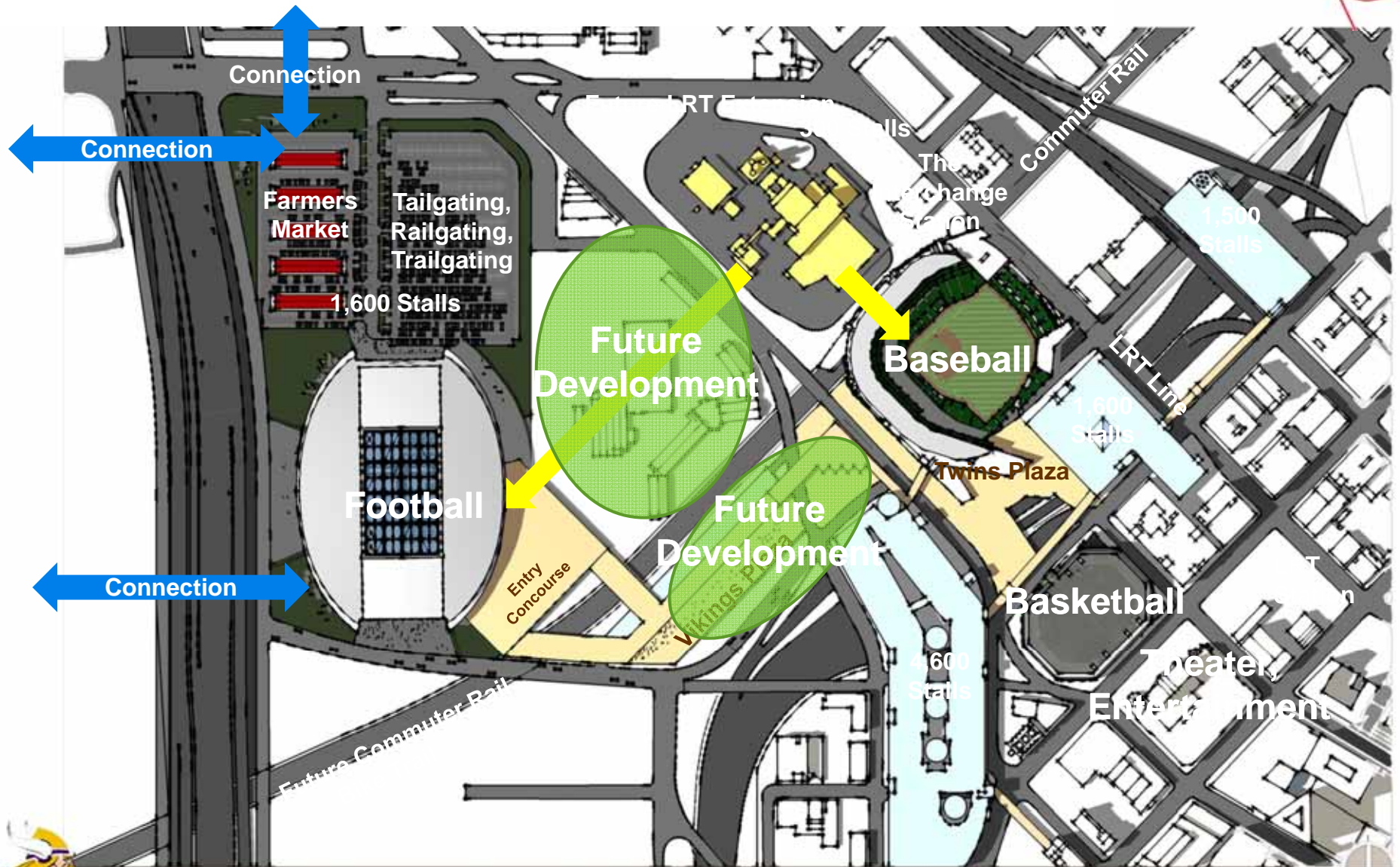
# Vikings Stadium Concept



# Vikings Stadium Concept

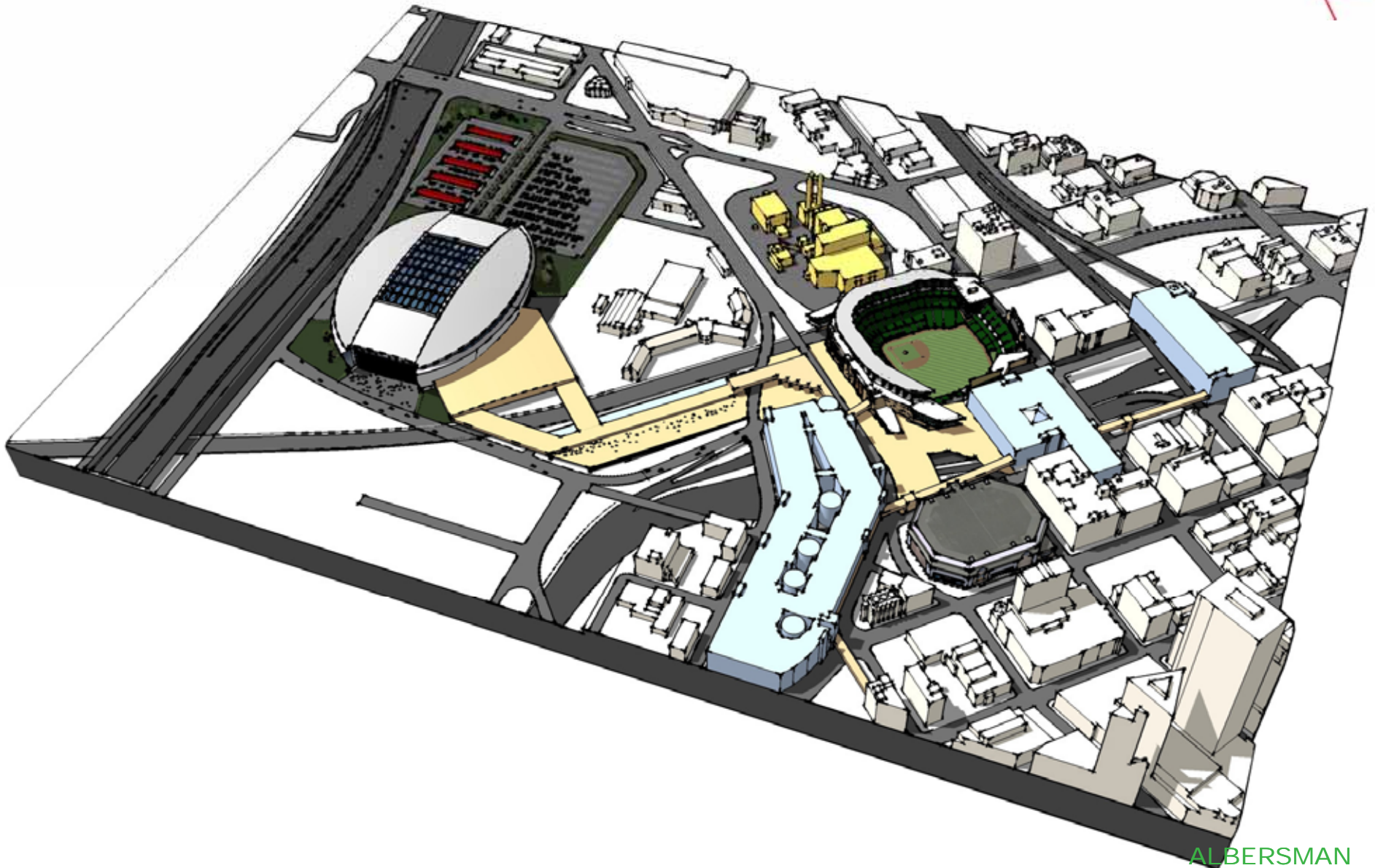


# Vikings Stadium Concept



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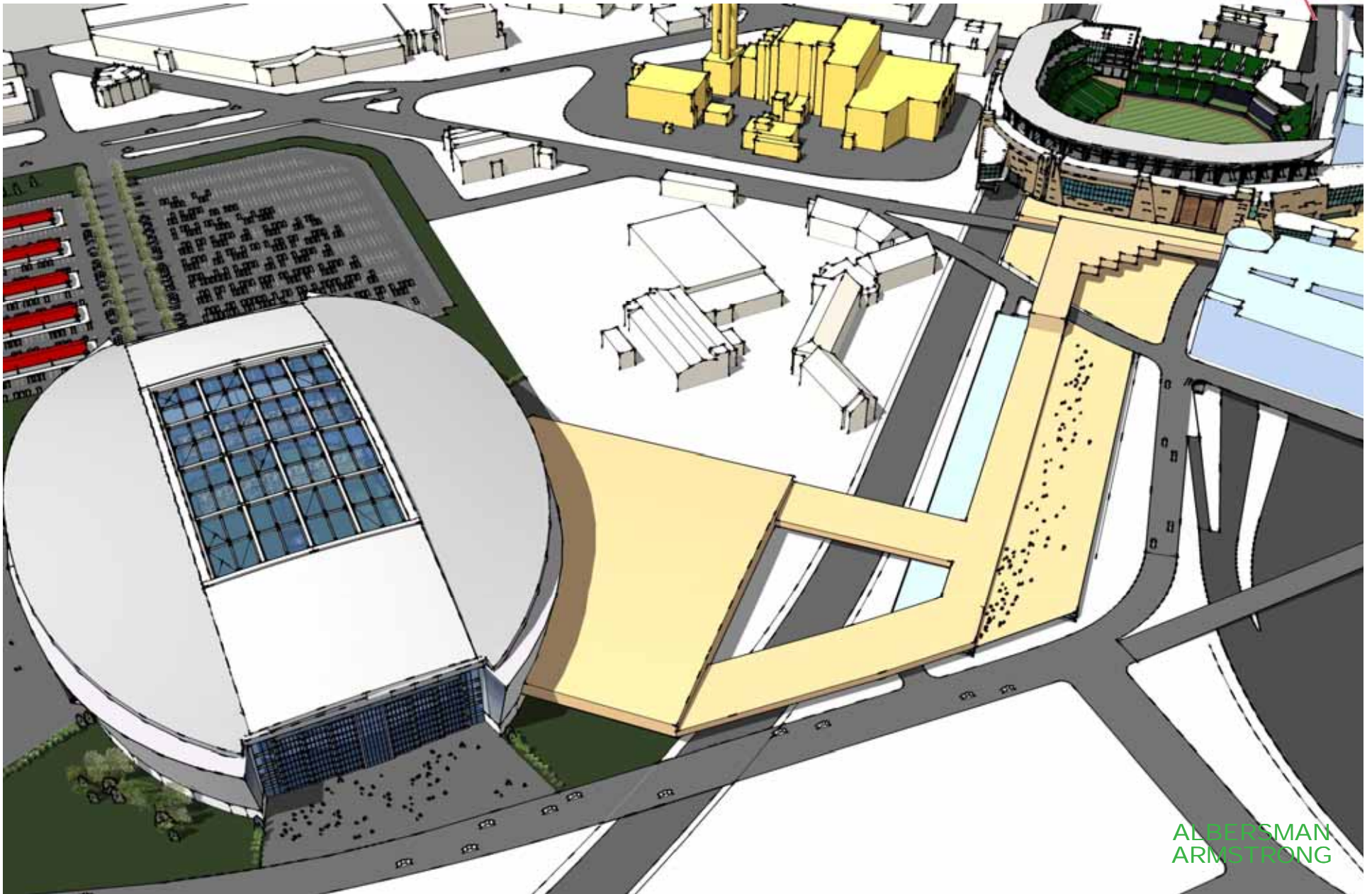
# Vikings Stadium Concept



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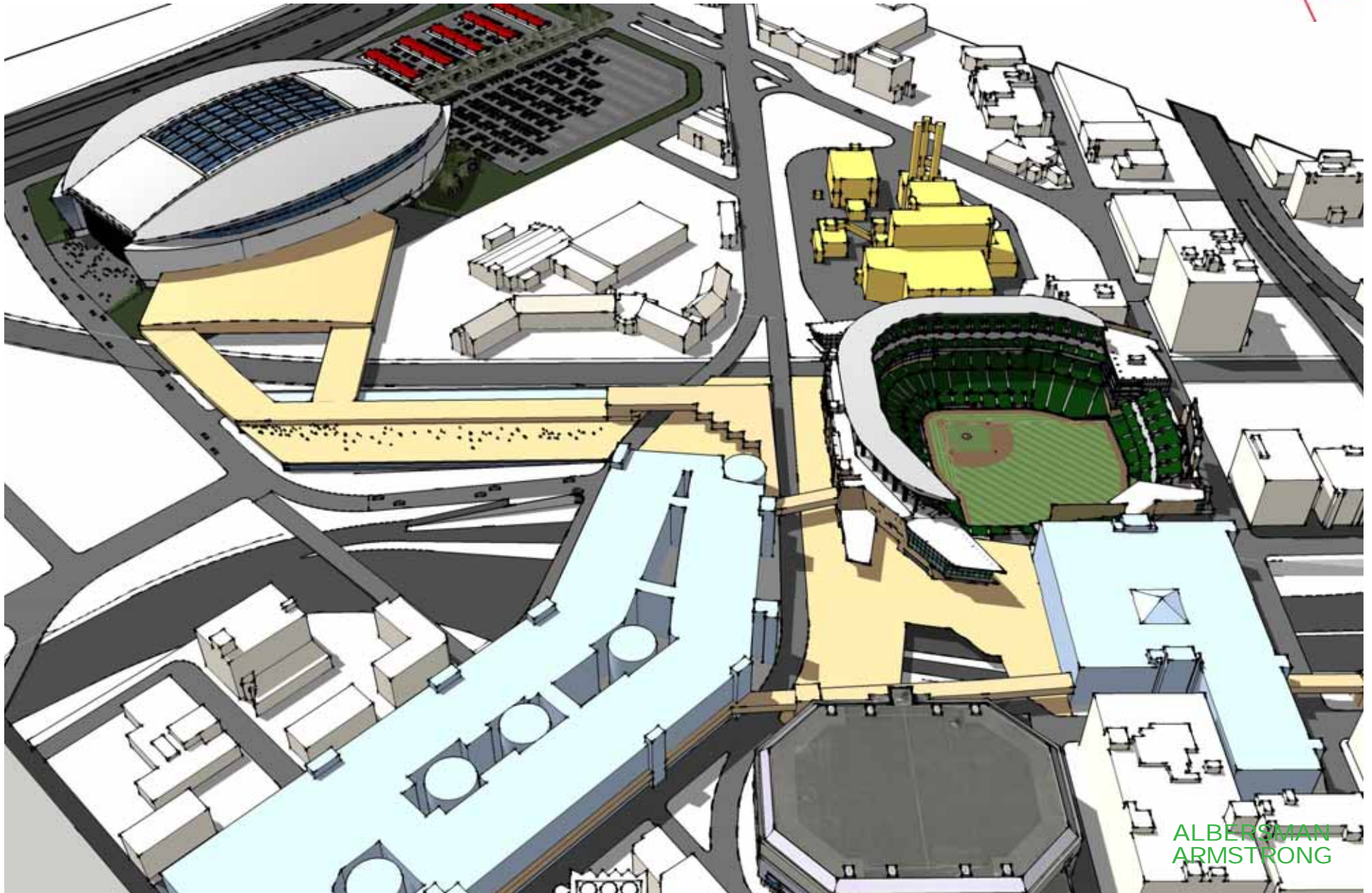
# Vikings Stadium Concept

the  
Corridor



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# Vikings Stadium Concept



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# Vikings Stadium Concept

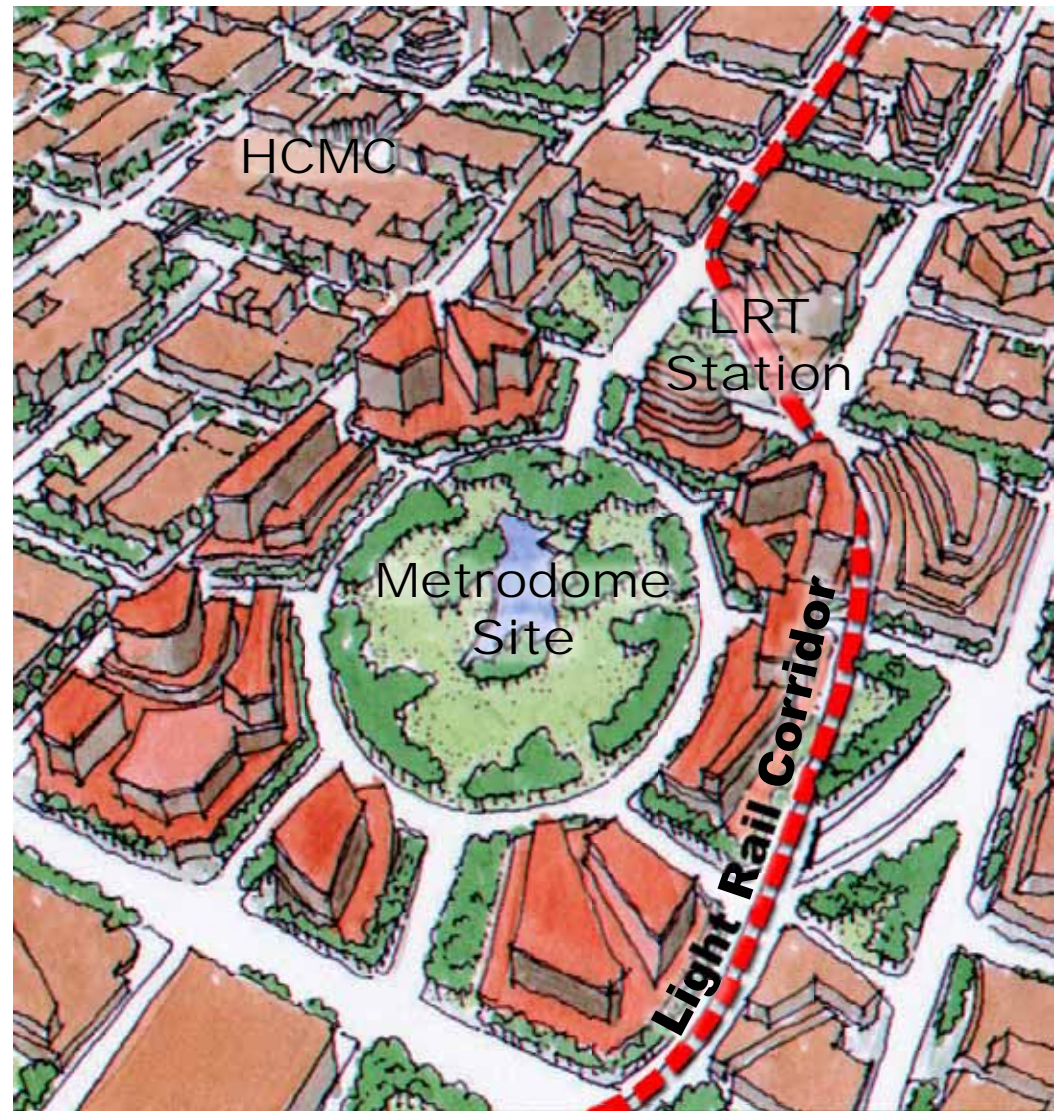


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# Medical / Housing District



- U of M Medical School
- Mayo Satellite
- Specialty Clinics
- U of M Ambulatory Care
- Medical Device Incubator
- HCMC
- Housing

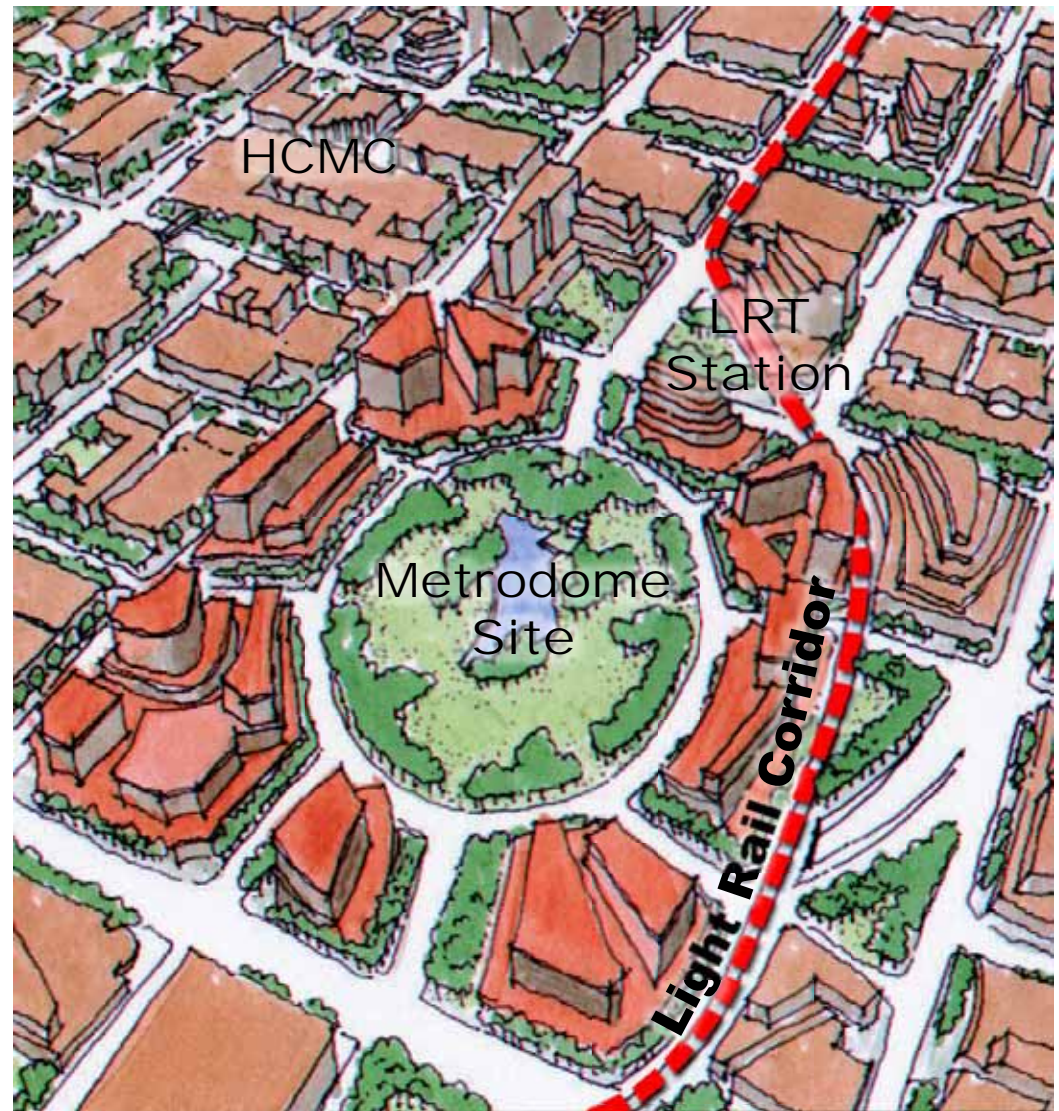


Metrodome re-use illustration

# Why the Medical / Housing District ?



- Proximity to the U of M
- Parking Potential
- Access to Transit
- Identity Opportunity
- Medical Synergies
- Roadway Access
- Compatible with Emerging Development



Metrodome re-use illustration

# The MEC

## "Minnesota Entertainment Commission"

A New Model for Development,  
Ownership and Management of Sports,  
Entertainment and Exhibition Facilities

# Issues

## ■ Billion Dollar Investment

- Should accomplish more than just a stadium

## ■ Multiple Public Policy Goals

- Utilize existing freeway and major arterial systems
- Capitalize on existing and planned transit
- Maximize existing parking infrastructure/investment
- Access to jobs
- Strengthen urban core
- Create sports and entertainment synergies
- Create operational & management efficiencies

# The Stadium Problem

The Current System is Broken and Dysfunctional:

- Competition between government jurisdictions
- Lack of coordinated planning
- Financial burden not fairly shared
- Finances difficult to understand
- Duplicative facilities and management
- Site selection based on crisis management
- Public benefit not maximized

# Fixing the Problem...

## The MAC Model

(Metropolitan Airports Commission)

# The MAC Model (Metropolitan Airports Commission)

## Operates and Manages:

- Minneapolis/Saint Paul International Airport
- Saint Paul Downtown Holman Field
- Flying Cloud Airport
- Crystal Airport
- Airlake Airport
- Lake Elmo Airport
- Anoka County – Blaine Airport

# The MAC Model Versus Sports & Entertainment Facilities

## Similarities:

- Large publicly-owned facilities
- Multiple large tenants (e.g. Twins & Vikings / Delta & Sun Country)
- Multiple revenue streams
- Capital & ongoing financing needs
- Recognized public benefit

# The MAC Model Versus Sports & Entertainment Facilities

Differences:

## Metropolitan Airports Commission

- Compensatory – landside and terminal revenue flows to MAC
- Single management
- Oversight by statewide representation
- Capital cost recovery based on user fees
- Accountable to legislature

## Sports & Ent. Facilities

- Residual – revenue flows to team owners
- Multiple owners/management authorities
- Regional and local oversight
- Capital cost recovery based on taxes
- Accountable to local sponsors

# The MAC Model (Metropolitan Airports Commission)

## Summary:

- User fees based budget
- Taxing authority (not used since late 1960's)
- Oversight by benefitting jurisdiction
- Professional management
- Accountable to legislature
- Staggered terms provide political stability
- Bonding authority
- Power of eminent domain

# The MEC Model (Minnesota Entertainment Commission)

## Summary:

- User fees based budget
- Taxing authority (not used since late 1960's)
- Oversight by benefitting jurisdiction
- Professional management
- Accountable to legislature
- Staggered terms provide political stability
- Bonding authority
- Power of eminent domain

# The Minnesota Entertainment Commission (MEC)

## MEC Phase I:

- Target Center
- Target Field
- Minneapolis Convention Center
- Mall of America Field (Metrodome)

## MEC Phase II:

- Xcel Center
- RiverCentre
- Midway Stadium

# Potential Financing Plan – Phase I

## Minnesota Entertainment Commission (MEC):

- Lead with Private Money
  - Team owners
  - Corporate investment
- Maximize Unencumbered Existing Revenue Streams
  - Capture TAD garage revenues
  - Refinance Minneapolis Convention Center
  - Sell Metrodome Development rights
  - Refinance Target Field
  - Sell naming rights / sponsorships
- Realize Management Efficiencies
- Finish with new public money

# Example Financing Plan – Phase I

(Estimates Only)

## Private:

Vikings / NFL	\$XXX M
Timberwolves	\$XXX M
<u>MN Corporate</u>	<u>\$XXX M</u>
Total:	\$ 540 M

## Public:

TAD Garages	\$50 M
Convention Center	\$50 M
HC Twins Bonds	\$100 M
Twins/Vikes Ent. Tax	\$50 M
Sale of Metrodome	\$30 M
<u>State Contribution</u>	<u>\$180 M</u>
Total:	\$460 M

Grand Total: \$ 1 Billion

# Why MEC?

(Minnesota Entertainment Commission)

- Eliminate duplicative bureaucracies
- Take politics out of the planning process
- Broader representation by benefiting jurisdictions
- Establish ongoing funding
- Reduce leverage of team owner
- Transparency
- Maximize public benefit

# Next Steps

- Create MEC Task Force:
  - Governance
  - Financing
  - Operations
  - Site selection
- Lead with Private Sector Investment
- Prepare for Legislative Session