

# MINNESOTA BALLPARK AUTHORITY

## MBA Suite Usage: Background and Policy

### I. Public Purpose

The Minnesota Ballpark Authority (“MBA”) was established by the Legislature in 2006 to oversee the design and construction of the ballpark. The MBA owns the 15-acre site and the facility and is responsible for overseeing the team’s operation of the ballpark. The MBA is also responsible for approving alterations, enhancements, and ballpark capital improvement projects. The MBA is governed by the Minnesota Statutes, Sections 473.75 through 473.763 as well as the 2006 Principles of Agreement between Hennepin County and the Minnesota Twins (the “Principles of Agreement”) which was the foundation of the ballpark legislation.

#### A. Statutory Framework

The statutes declare the public purpose and public use to be served by the construction, financing and long-term use of the ballpark, and the unique public purpose found in provisions in the lease or use agreement requiring the team to play its home games in the publicly funded ballpark for the duration of the agreements. Minn. Stat. Sec. 473.75

The statutes provide the MBA with several duties and responsibilities to ensure that the public purpose is served, and to achieve the purposes of the legislation. For example, the MBA may equip, improve, operate, manage, maintain and control the ballpark and related facilities; sue or be sued; acquire rights, title and interest in and to real property, air rights and personal property; sell, lease or otherwise dispose of any real or personal property; employ persons and contract for services; accept gifts and grants; and conduct research studies and programs. Minn. Stat. Sec. 473.756, subs. 1-8.

In addition, the MBA may lease, license or enter into use agreements and may fix, alter, charge and collect rentals, fees and charges for the use, occupation, and availability of part or all of the premises, projects or facilities, under its ownership, operation or control for purposes that will provide athletic, educational, cultural, commercial or other entertainment, instruction or activity for the citizens of Minnesota and visitors. Minn. Stat. Sec. 473.756, subd. 9.

Further, the MBA is responsible for entering into: (1) a development agreement relating to the construction, financing and use of the ballpark; (2) a long-term lease or use agreement with the team for the use of the ballpark; and (3) a grant agreement with Hennepin County. The statutes set forth the framework of each of these agreements, and explicitly authorize the MBA to exercise the extraordinary remedy of specific performance in the event of a breach of any of the agreements.

B. Contractual Framework

In order to achieve the purposes of the ballpark legislation, the MBA negotiated and entered into numerous agreements, including the Grant Agreement Regarding Ballpark Project, between Hennepin County and the MBA, dated April 26, 2007, (the “Grant Agreement”) and the Ballpark Lease Agreement between the Twins Ballpark, LLC and the MBA dated April 26, 2007 (the “Lease Agreement”). These vigorously-negotiated agreements place appropriate and necessary oversight responsibility on the MBA to ensure that the ballpark is operated, maintained, and improved to fulfill the purposes of the legislation. The Grant Agreement may be enforced by Hennepin County, which maintains annual approval of the MBA’s budget.

The Lease Agreement requires regular reports by the team on the operations, maintenance, and capital repair of the ballpark. The MBA retains the right to approve capital improvements to the ballpark.

Finally, the MBA has contractual responsibilities that are external to the operations of the ballpark itself. For example, numerous agreements with MNDOT, BNSF Railroad, and the Met Council, among others, require ongoing oversight by the MBA.

## II. MBA Office/Suite and Parking

The MBA office and suite are a single, shared space. Pursuant to the Principles of Agreement and the Lease Agreement, the MBA received 16 tickets and 4 suite level passes. Due to the MBA's recent relocation of the office and suite, the new configuration permits up to 24 tickets. The passes can be used by guests who have purchased a ticket somewhere else in the ballpark to access the suite level. Pursuant to the Lease, there is no rent charged for the office or suite and no value to the tickets that provide event day access to the suite.

The MBA controls 10 on-site parking spaces on a year-round basis. Pursuant to the Lease Agreement, there is no rent charged for the parking spaces.

In order to fulfill with diligence the statutory and contractual responsibilities placed upon the MBA, MBA members and staff are credentialed personnel and have access to the ballpark and premises at any time.

## III. General Suite Use Policy

As set forth above, the MBA was established to achieve the purposes of the Legislation. The MBA suite and tickets may be used in furtherance of the public purposes set forth in the statutes. Explicit duties and obligations of the MBA include, but are not limited to: oversight of all operations and management of the ballpark, ballpark systems, equipment and related facilities; approval of all capital improvements; leasing, licensing and entering into agreements for the use, occupation or availability of all or some of the premises, maintaining operational relationships with Major League Baseball and with the management of other publicly-owned stadia; and

enforcing the obligations of the Lease Agreement, the Grant Agreement, and numerous other agreements related to the ballpark, related facilities or property.

Use of the suite by MBA members or staff is intended to further the purposes of the Legislation, and not for the private benefit of those individuals. The MBA Code of Conduct is incorporated into this policy as if fully set forth herein.

A. Suite use is limited to those persons or organizations having a legitimate business purpose or fulfilling a public purpose goal of the statutes.

1. All persons or organizations who are guests of an MBA member or staff must have a ticket in order to enter the ballpark.
2. Tickets and suite passes for games are available for use upon the request from an MBA member or staff person for a guest with a legitimate business purpose or public purpose.

Guests of an MBA member or staff who are attending a game in the suite for a legitimate business purpose or public purpose may use the MBA suite tickets without payment. Such use of the MBA suite tickets requires an affirmative vote of the MBA Board in a public meeting, or, in the event the Executive Director requests such use and an MBA Board meeting is not scheduled to consider a request in a timely manner, the prior written approval of the Chair and one other MBA member.

B. The names of all persons or organizations using the MBA tickets or passes for the suite, and the purposes for which the tickets or passes were used, will be recorded and disclosed annually by the MBA.

- C. Consistent with the MBA practice in place since the ballpark opened in 2010, no public funds may be used for the cost of food or beverages in the suite. Any costs related to food or beverages are the responsibility of the individual user.
- D. Scheduling of the suite for general suite use will be done by MBA staff, subject to all applicable policies of the MBA.
- E. Suite tickets are available for use by 501(c) organizations and preK-12 schools, subject to the MBA charitable suite use policy. The charitable suite use policy will include but not be limited to the following elements:
  - 1. Any 501(c) organization or preK-12 school (the “Applicant”) may apply, on the following conditions:
    - a. The Applicant must be Minnesota-based;
    - b. If a 501(c) organization, the Applicant must be registered and in good standing with the Minnesota Secretary of State; and
    - c. The Applicant must not be a political or partisan organization.
  - 2. The MBA may establish an “open-application” period annually on the website for Applicants to request use of the suite tickets.
  - 3. Use of the suite will be on a “first-come, first-served” basis for the next available date; provided however, that preference will be given to those Applicants applying for use of the suite for the first time.
  - 4. The MBA reserves the right to contact 501(c) organizations or preK-12 schools to fill out dates if dates are unused.
  - 5. The MBA reserves the right to request evidence of the Applicant’s status.

6. The Applicant using the suite and tickets must agree to purchase its own food and beverages to be consumed.
7. The MBA will disclose annually the name of the 501(c) organization or preK-12 school using the suite and tickets.
8. Any inquiries received from civic groups or governmental entities outside the open application period established by the MBA will be forwarded to the MBA Chair and Executive Director for consideration. The requirements of this Section E apply to any such applications.
9. The MBA reserves the right to amend the charitable suite use policy and establish and enforce other regulations for the use of the suite and tickets at any time. The current version of the MBA suite charitable use policy will be available on the MBA website.

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