



Minnesota Ballpark Authority Board Meeting Minutes – January 10, 2019

Chair Margaret Anderson Kelliher called the board meeting of the Minnesota Ballpark Authority for January 10, 2019 to order at 1:00 p.m. The roll was taken. Commissioners Joan Campbell, Paul Williams, and David Ybarra were present. Commissioner James R. Campbell participated via interactive television.

Commissioner Paul Williams moved approval of the agenda, seconded by Commissioner Joan Campbell and approved unanimously – 5 YEAS, 0 NAYS.

APPROVED

Commissioner Joan Campbell moved approval of the October 10, 2018 meeting minutes seconded by Commissioner Ybarra and approved unanimously – 5 YEAS, 0 NAYS.

APPROVED

Chair’s Report – Chair Margaret Anderson Kelliher noted that a performance evaluation of Executive Director Dan Kenney and the election of MBA Officers for 2019 will take place at the April 11 MBA Board meeting.

Executive Director’s Report – Executive Director Dan Kenney noted a written report in the MBA board meeting packet to Board members following up on a request from Commissioners for information on the status of Hennepin County’s debt service on ballpark bonds, Hennepin County investments in youth sports, additional library hours and sales tax collections at Target Field. *See attached report.*

Executive Director Kenney asked Susie Helget, Administrative Manager for the MBA, to give a report on non-profit and school groups use of the MBA suite for the upcoming playing season. Ms. Helget reported that last year 63 non-profit and school groups used the MBA suite. Thirty of these organizations were first time users. Per the MBA suite use policy, the names of the organizations who used the suite in 2018 are posted on the MBA website. The application process for 2019 suite use will open via the MBA website on January 28, 2019. Applications will be received from 501(c) organizations registered and in good standing with the Secretary of State and preK-12 school groups in good standing with the Minnesota Department of Education. This year, organizations will be asked to provide a paragraph of information about their organization or their mission statement when applying for suite use.

ACTION ITEMS

Resolution 19-MBA-148

Purpose:

To authorize the expenditure of funds from the Minnesota Ballpark Authority's Ballpark Capital Projects Fund to reimburse the Minnesota Twins for the cost to replace the graphics on the glass panels located outside Gate 29; to authorize MBA staff to finalize the scope, design and cost details with the Minnesota Twins; and to authorize the Chair and Executive Director to enter into any necessary agreements to achieve these improvements, and provide for the expenditure of funds.

Background:

In June of 2009, the Minnesota Ballpark Authority (MBA) Board authorized funding to design and construct glass commemorative panels along the wedge planter located outside of Gate 29. The project documents the history of Minnesota's pro and semi-pro ballparks and was completed in advance of Opening Day 2010. Over the last nine years, the graphics have faded and in some areas are damaged. MBA staff is requesting authorization to reimburse the team for the cost to replace the graphics.

Action Requested:

BE IT RESOLVED that the Minnesota Ballpark Authority authorizes the expenditure of funds from the MBA's Ballpark Capital Projects Fund in an amount not-to-exceed \$9,000, to reimburse the Minnesota Twins for the cost to replace the graphics on the glass panels located outside of Gate 29.

BE IT FURTHER RESOLVED that MBA staff is authorized to finalize the scope, design and cost details with the Minnesota Twins, and the Chair and Executive Director are authorized to enter into any necessary agreements to achieve these improvements and provide for the expenditure of funds from the Ballpark Capital Projects Fund.

APPROVED

Resolution 19-MBA-149

Purpose:

To approve ballpark alterations and enhancements proposed and funded by the Minnesota Twins.

Background:

Minnesota Twins officials have met with Minnesota Ballpark Authority staff over the course of the year to discuss potential capital improvement projects to enhance Target Field.

With the Gate 34 and plaza changes now well underway, the team has been working with Populous and Mortenson to refine the scope and budget for an additional capital improvement project that may be accomplished in advance of Opening Day 2019. Based on these efforts, the team is now seeking authorization from the MBA to move forward on replacing the angled, metal panel Batter's Eye, which was originally installed after the 2010 season.

The new design would add a rack system to the flat wall to hold small plants that will cover the 95-foot x 25-foot area. The team intends to maintain the plants in the off-season (along with extra stock) at a local greenhouse. Attached is a letter from the team detailing the finalized scope of the project.

The team has committed to funding this project internally and will not seek any financial participation from the MBA through the CapEx account. Pursuant to Article 8, Section 8.10 (a) of the Ballpark Lease Agreement, by and between Minnesota Ballpark Authority and Twins Ballpark, LLC, dated April 26, 2007 (the "Ballpark Lease"), the Twins are requesting approval to proceed with these ballpark alterations and enhancements.

Action Requested:

BE IT RESOLVED that the Minnesota Ballpark Authority hereby grants approval to the Minnesota Twins to proceed with the alterations and enhancements to the Batter's Eye, as set forth in the attached letter from the team; and all such alterations and enhancements shall be paid for by the Minnesota Twins.

BE IT FURTHER RESOLVED that the Minnesota Twins shall submit the full plans, specifications, and the final budget for this project to the Minnesota Ballpark Authority, in compliance with Section 8.10 of the Ballpark Lease.

APPROVED

A motion was made by Chair Anderson-Kelliher to move the start time of future MBA Board meetings from 1:00 p.m. to 9:00 a.m. It was moved by Commissioner Joan Campbell and seconded by Commissioner Paul Williams.

APPROVED

DISCUSSION ITEMS

Target Field Operations Update – Matt Hoy, Senior Director, Facilities, Minnesota Twins. Mr. Hoy reported that the facility is coming through the winter season with no foreseen problems. There are some flooring issues that are being addressed and will be done prior to Opening Day. The Gate 34 construction project is proceeding on schedule. The main structures including the canopy are in place. Twinsfest will be held at Target Field January 25 through 27. Other non-game events in 2019 will include the NDSU vs Butler football game on August 31 and a concert will likely be announced in the near term that will likely take place in July. The Twins have hired Roger's Police Chief Jeffrey Beahen as their new Director of Security.

Financial Report – Brenda Juneau, MBA Finance Coordinator. Ms. Juneau reported on the MBA financials for the period ending November 30, 2018. She noted that the request for the 2018 Operating Budget was for \$740,000 and the actual expenditures were \$640,000. The MBA Audit Committee met in December for the 2017 Audit Exit meeting and Randy Vogt from the State Auditor's office reported a clean 2017 Audit for the MBA.

There being no further business, Vice Chair Williams moved to adjourn. The motion was approved unanimously 4 YEAS, 0 NAYS. The board meeting of the Minnesota Ballpark Authority for January 10, 2019 was adjourned at 1:30 p.m.

Next Meeting: April 11, 2019.



TO: Minnesota Ballpark Authority Commissioners
FROM: Dan Kenney, Executive Director
DATE: January 7, 2019
SUBJECT: Executive Director's Report

This is a follow-up to a request for information at the October 2018 MBA Board meeting on the status of Hennepin County's debt service on ballpark bonds, County investments in Youth Sports and additional library hours, and sales tax collections at Target Field.

County Ballpark Debt Service, Community Investments

In August 2006, the Hennepin County Board approved a 0.15 % sales tax, as authorized by the ballpark legislation to support the County's \$350 million commitment to the project. Hennepin County issued its ballpark bonds in three stages in 2007 and 2008 and the County has made more than \$91 million in prepayments since the bonds were originally issued.

Hennepin County paid off its \$75 million 2008C variable rate bonds in November of 2016, 21 years ahead of schedule. This action provided approximately \$90.4 million in savings due to \$70.6 million in interest avoidance and \$19.8 million in interest savings due to favorable rates compared with budgeted rates.

In January of 2017, Hennepin County issued \$116.8 million in refunding bonds to replace the Series 2007A bonds, which had an initial principal amount of \$150 million and \$163 million in scheduled interest payments. The advance refunding resulted in a \$64.3 million reduction in debt service payments over 21 years. Lastly, in December of 2017, the County placed \$72.1 million in Sales Tax Refunding Notes with Wells Fargo, NA to replace its Series 2008B bonds, which had an initial principal amount of \$88.7 million and \$33.3 million in scheduled interest payments. The refunding of the Series 2008B bonds resulted in a \$38.9 million reduction in debt service payments over the next 13 years. As of December 31, 2018, Hennepin County's outstanding principal on its ballpark debt is \$167,095,000.

In addition to funding debt service on ballpark and infrastructure construction, Hennepin County is also authorized to fund up to \$2 million annually for Youth Sports and up to \$2 million for expanded hours at Hennepin County Libraries.

Since the inception of the Hennepin Youth Sports Program, Hennepin County has awarded \$24.1 million for facility, small equipment and playground projects, along with water safety lessons. In addition, Hennepin County has also provided \$24 million to fund additional operating hours at 15 County Library locations, including Sunday hours, Maple Grove's Thursday hours, and Minneapolis Central's Sunday and Monday hours.

Sales Taxes generated at Target Field

Attached is a chart provided by the Minnesota Twins showing Sales and Use Taxes paid at the ballpark 2010 through November of 2018.

**Total Sales and Use Tax - Summary (Twins & Concessionaire)
 DRAFT - 2018 DOES NOT INCLUDE DECEMBER INFO YET**

Year	Minnneapolis							Downtown Food/Entertainment		Liquor		Mpls		Transit		Hennepin		Nicollet Mall Assessment		Total
	MN	Entertainment	Liquor	Mpls	Transit	Hennepin	Assessment	Entertainment	Liquor	Mpls	Transit	Hennepin	Assessment	Assessment	Total					
2010	\$11,642,010	\$4,822,585	\$599,925	\$850,341	\$424,008	\$264,380	\$	\$4,448,442	\$466,194	\$797,129	\$394,287	\$238,031	\$	\$18,563,249						
2011	\$10,819,632	\$4,448,442	\$466,194	\$797,129	\$394,287	\$238,031	\$	\$9,938,756	\$4,116,689	\$427,575	\$713,224	\$362,292	\$253,615	\$17,165,714						
2012	\$9,379,066	\$3,846,719	\$396,945	\$681,940	\$341,049	\$244,798	\$	\$9,132,826	\$448,815	\$661,962	\$332,305	\$278,391	\$186,000	\$15,812,150						
2013	\$10,115,826	\$4,132,894	\$385,587	\$735,344	\$367,920	\$241,470	\$	\$9,132,317	\$3,681,360	\$448,815	\$661,962	\$332,305	\$278,391	\$14,890,517						
2014	\$10,115,826	\$4,132,894	\$385,587	\$735,344	\$367,920	\$241,470	\$	\$7,651,190	\$3,086,634	\$348,286	\$554,516	\$278,391	\$186,000	\$15,979,041						
2015	\$9,132,317	\$3,681,360	\$448,815	\$661,962	\$332,305	\$278,391	\$	\$8,419,018	\$3,320,081	\$459,541	\$614,516	\$308,506	\$183,788	\$12,105,018						
2016	\$7,651,190	\$3,086,634	\$348,286	\$554,516	\$278,391	\$186,000	\$	\$7,772,890	\$3,114,035	\$379,291	\$566,950	\$566,930	\$170,157	\$99,974						
2017	\$8,419,018	\$3,320,081	\$459,541	\$614,516	\$308,506	\$183,788	\$	\$7,772,890	\$3,114,035	\$379,291	\$566,950	\$566,930	\$170,157	\$97,579						
2018	\$7,772,890	\$3,114,035	\$379,291	\$566,950	\$566,930	\$170,157	\$	<u>\$84,870,706</u>	<u>\$34,569,439</u>	<u>\$3,914,159</u>	<u>\$6,175,921</u>	<u>\$3,375,688</u>	<u>\$2,148,314</u>	<u>\$197,563</u>	<u>\$135,251,779</u>					
Cumulative Tax Revenue																				

¹ Excludes concert tickets sold by Ticketmaster

MN Twins & Concessionaire Sales and Use Tax

