

Minneapolis and St. Paul Entertainment Facilities Coordination Study

**Matt Bailey, Assistant Commissioner
Department of Administration**



Legislative Commission on Minnesota Sports Facilities
Thursday, December 5th, 2013

Study Statutory Authority

- Chapter 143, Article 4; Sec. 39.
- Subd. 2. **Study and report.** On or before February 1, 2014, the cities of Minneapolis and St. Paul, in consultation with representatives of the primary professional sports team tenant of each arena, shall study and report to the legislature on establishing a joint governing structure to be responsible for the joint administration, financing, and operations of the facilities and the possible effects of joint governance on the finances of each arena and each city. The commissioner of administration, in consultation with the two cities, shall contract with an independent consultant to conduct all or a portion of the study. The cities of Minneapolis and St. Paul together shall pay one-half of the cost of the consultant contract. The commissioner may accept funding from other public entities and private organizations to pay for the contract. The study must:
 - (1) examine the current finances of each arena including past and projected costs and revenues, projected capital improvements, and the current and projected impact of each arena on each city's general fund;
 - (2) determine the impact of joint governance on the future finances of each city;
 - (3) examine joint scheduling, marketing, and promotion of events at the arenas, either within a joint governance structure or as separate entities; and
 - (4) estimate the amount of funding, if any, that would be required to operate and maintain the arenas under a joint governing structure.

Procurement Process

- July/August: RFP development with cities of St. Paul and Minneapolis.
- September 3: RFP posted.
- October 7: Four bidders submit proposals by deadline.
- October: Evaluation team consisting of state and city representatives evaluated proposals.
- November 5: Contract executed.
- November 6: Initial project meetings completed.

Selected Vendor: Stafford Sports

- Experienced team of sports facility professionals. Each principal has more than 30 years of experience for venues and professional teams in New York, Philadelphia, and Columbus.
- Leadership role in establishing cooperative facility governance in:
 - Columbus, OH: Nationwide Arena and the Schottenstein Center
 - Greensboro, NC: Lawrence Joel Veterans Memorial Coliseum and Greensboro Coliseum Complex
- Extensive experience with team, facility, and promoter personnel around the country.

Project Timeline

- November: Gather data and conduct interviews.
- December: Collect supplementary data and conduct interviews. Initiate drafting of report.
- Mid-January: Complete draft report.
- January 31: Complete final report.

Challenges

- Limited availability of information.
- Few tested examples of similar collaboration in other markets.
- Both facilities/teams are participants in the same competitive marketplace.

QUESTIONS?