

Meeting Notes		West Haymarket Action Team	
2015>ision		April 10, 2007	
		9:00 a.m.	
		Mayor's Conference Room	
		County/City Building, 555 S. 10th Street	
Members Present	Wendy Birdsall Dick Campbell Terry Fairfield David Landis	Doug Lienemann Steve Pederson Cori Sampson-Vokoun Mayor Seng	Terry Uland Linda Wilson Lynn Wilson
Members Absent	Cathy Beecham Mike Dunlap	Charles Hull Harvey Perlman	Liz Shotkoski Amy Tipton
Others Present	Mark Bowen Janny Crotty Roger Figard Ann Harrell Don Herz Lynn Johnson	Scott Keene Tom Lorenz Dallas McGee Stan Meradith Michael Merwick Kent Morgan	Darl Naumann Patricia Owen Kent Seacrest Ken Smith Lauren Wismer Michele Abendroth

Welcome and Opening Comments - Meeting Chair

Tri-Chair Mayor Seng opened the meeting at 9:02 a.m.

Acknowledgment of Nebraska Open Meetings Act - Meeting Chair

Mayor Seng acknowledged the Nebraska Open Meetings Act.

Review Minutes from April 3, 2007 Meeting - Meeting Chair

Mayor Seng requested the committee to quickly review the minutes from the April 3, 2007 meeting and to note any changes. The minutes will stand as written.

Public Comment Period - Meeting Chair

There were no public comments.

Omaha's Experiences Leading to Construction of the Qwest Center - Ken Bunger

Don Herz introduced Ken Bunger, who served as Omaha's City Attorney during the Qwest Center development and construction process. Bunger made a presentation to the Finance Subgroup of the Mayor's Events Facility Task Force a few months ago, and they felt it would be beneficial for the Action Team to hear the presentation as well.

Bunger began by thanking the committee for the opportunity to speak about the experiences in Omaha. He stated that Omaha was in a similar situation to Lincoln a decade ago with developing the Qwest Center. There are several important factors they considered when selecting the site for the arena. First, Omaha has developed a policy to promote the downtown. This includes locating corporate citizens, major sport and public events facilities and housing opportunities in the downtown. This creates excitement and activity all year round. Three sites were proposed and a committee determined the final selection. Along with the development of the arena, they redeveloped the riverfront as well. A parking lot, restaurants, a boardwalk, retail

headquarters for the National Park Service, and townhomes were developed. Abbott Drive as well as the railroad tracks were rerouted, and Creighton University became the front door. They also created a park north of the arena. The bridge is currently under construction which will tie the bike paths together.

In terms of the process, the idea was formed, which was to create an arena and convention center. The convention center is the financial engine which drives the economy as it brings a lot of people into town. The arena is important as well but only draws a regional crowd. The idea was presented to the City, the County, community leaders and the Universities. They then formed a nonprofit corporation called Metropolitan Omaha Convention and Sports Entertainment Authority (MOCSEA). David Sokol was the chair of this corporation, and Bunger served as Director of the project and the transactional counsel. There were representatives from the City, County, and the Universities as well as business persons on this committee. MOCSEA was not controlled by the any one entity. The importance of having an incorporated body was that everyone was dedicated to getting the job done and developing momentum. The idea was to eventually vote on something or be able to finance it. Tasks included a feasibility study, site selection, developing a conceptual design, preliminary budget, financing alternatives and approaching private donors. A recommendation was then made to the City for the location, which is on the Union Pacific side of the site. There were other alternatives, but they were not as feasible. The tasks then split. The City's tasks included making the final A&E selection, state legislation, validating the budget, developing real estate options and an EPA agreement. MOCSEA began the public information effort and confirmed donor pledges.

Bunger noted that the arena was paid by private monies and the convention center by public monies. There was a public vote for a general obligation bond on the hotel. MOCSEA conducted the public education effort to have an educated voting body.

KPMG conducted the initial convention center feasibility study and a hotel feasibility study. When you conduct a study, the political side must carry through with the recommendations. The convention center is performing well and the arena is performing beyond expectations. The hotel is doing well, but they would like to bring in more conventions.

Under Omaha's City Charter, they made an amendment to allow the Metropolitan Entertainment & Convention Authority (MECA) to be formed. They wanted to have the public validate the process, so the public voted on the bond issue as well as creating MECA. MECA was a five-member board. MECA undertook the construction of the facility. And the City undertook selling the bonds and the financing of it. There was a lease agreement between the City and MECA for MECA to operate the entertainment facility. There are arguments for the City operating it and for MECA to operate it. One of the biggest reasons for MECA operating it is that in order to raise the \$75 million, the public wanted to know who was operating the facility. The donors demanded that is how it be set up, and it worked out very well.

In response to a question regarding the organization of MOCSEA, Bunger stated that he and Greg Pederson of the Omaha Planning Department served as staff for MOCSEA. There were engineering firms and consultants who conducted studies for MOCSEA. There were no elected officials on MOCSEA or MECA. The Mayor's Chief of Staff was on the MOCSEA Board. Sokol served as spokesperson for MOCSEA.

Wisner does not believe there are any restrictions in the Lincoln Charter for forming an authority.

The process of developing the hotel then began. The City sold the bonds. The City's tasks included acquiring the site, beginning site preparation and hotel selection. MECA's tasks included bid construction and building and staffing the facility. The City is the owner of the hotel. They formed another corporation which sold bonds at a tax-exempt rate. There were four proposals received for the hotel operator. They chose Hilton, which would act as manager of the facility, and they entered into a lease agreement. The hotel operator was involved in the programming and design of the hotel, which is why the design-build process worked out well.

When asked if the entities are performing as well as they expected, Bunger stated that the conventions are not performing as well as they were hoping. There are many reasons for that, including national trends, September 11th and gas prices. There were two studies which both stated the conventions will be successful in time. The Convention Bureau, MECA and the hotel operator have been essential in bringing in meetings for the hotel.

Bunger concluded his presentation and Mayor Seng asked if there was further discussion.

Action Team Discussion Regarding Briefing - Meeting Chair

In response to a question regarding the budget, Bunger stated that it is critical to have a budget established. More environmental studies must be done as well as due diligence. Professionals must be hired to perform these studies. Meredith stated that it is important to establish a goal and a target date for the facility to be opened. This will allow more realistic numbers to be achieved. Inflation is an important part of that.

Bunger stated that the consulting firm will develop a strategy of how we fit into the marketplace and determine the number of seats and the number and type of suites needed. The current numbers have been based on DLR's research. The assumptions for those numbers were based on CSL study's recommendation.

Seacrest noted that the information received today regarding the process Omaha used is invaluable, but it is important to remember that Lincoln will develop a process that works for our community.

Other Action Team Business - Meeting Chair

No discussion took place under this agenda item.

Adjournment

A motion was made and seconded at 10:30 a.m. to adjourn the meeting. Motion carried 10-0. Birdsall, Campbell, Landis, Lienemann, Pederson, Sampson-Vokoun, Seng, Uland, Linda Wilson and Lynn Wilson voting 'yes'; Beecham, Dunlap, Fairfield, Hull, Perlman, Shotkoski and Tipton absent.