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## Proposed motor sports complex meeting draws crowd

by Shannon Fiecke  
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### The proposal

- Year-round facility on 400 acres
- 7/8-mile oval track, 1/4-mile drag strip, hotel
- Motorcycle, dirt bike and monster truck racing; concerts; car shows
- Early 2013 construction
- Northeast corner of Co. Rd. 2 and Interstate 35
- Land is split between the city of Elko New Market and New Market Township
- Developer is seeking public financing for road infrastructure improvements
- Similar proposals were floated in at least two other communities first



So many people showed up to learn more about a proposed motor sports complex in Elko New Market last week that cars parked on the grass outside Eagle View Elementary School.



A \$400 million motor sports facility has been proposed on roughly 400 acres at the northeast corner of County Road 2 and Interstate Highway 35 in Elko New Market. It would feature a 7/8-mile oval track that could seat up to 65,000

spectators and accommodate Indy and NASACAR-type races, and a quarter-mile drag strip with seating for up to 35,000 spectators. A hotel with 500-plus rooms and a large exhibition center are also planned.

Former Minnesota Department of Transportation Commissioner Elwyn Tinklenberg was hired by the International Motorsports Entertainment and Development Corp. to lead the Nov. 29 presentation before a packed audience.

The company has contracts with a “sufficient number” of landowners, Tinklenberg said, while not answering what percentage of the land is locked up.

He was also tight-lipped about the source of financing, but said developers are still working to obtain private funds and are “very confident” on obtaining the main source of funding needed. A pool of small investors has funded the efforts thus far.

The development company, a Minnesota corporation, will seek road infrastructure improvements from local governments. It has no intention to start the project until everything is in place to fund it, Tinklenberg said. The company is paying for traffic analysis to be completed by a consultant for Scott County, he said.

Tinklenberg was quizzed by local government leaders as to why the project is being proposed in Scott County after failing to gain traction earlier in both the Lino Lakes and Big Lake areas.

He responded that Elko New Market is the best of the sites considered – located 35 minutes from the metropolitan area with freeway access, a history of racing and nearby entertainment venues like Valleyfair.

“The sanctioning bodies are looking for those kinds of fan experiences,” Tinklenberg said.

Regarding the effect it would have on nearby Elko Speedway, Tinklenberg said developers would like to coordinate with the existing track as best they can.

Noise impacts will be studied as part of the environmental review, he said, pledging the project will meet or exceed state noise standards.

Tinklenberg also believes the facility would spur side development, including restaurants. He cited a study about a new track in Canada that purportedly generated 830 to 1,330 new permanent jobs and had an economic impact of around \$200 million annually. A speedway in Michigan (double the size of what is proposed in Elko New Market) generates \$400 million per year, he said.

“It would be the economic equivalent of having a Super Bowl in the state every year,” he said.

The primary market for racing fans would be within 600 miles of Elko New Market. Typically, fans stay a minimum of three days for large sporting events, Tinklenberg said.

The facility could be also used year-round for a variety of events, such as car and bike shows, dirt bike racing, concerts and driving schools, he said.

Scott County Board Chair Tom Wolf, who has been involved in preliminary discussions with developers, told the audience, “Every time I see this, I go, ‘Wow, this project will forever change Elko New Market if it goes through.’”

## **CROWD RESPONSE**

Whether the quiet crowd, which asked few questions and filed out soon after the meeting, was swayed by Tinklenberg’s presentation is unclear.

David Pickit, who lives 10 minutes down County Road 2 in Cedar Lake Township, gasped when he heard the timeline for the project: construction in early 2013 and operational in 2014.

A building engineer for a Twin Cities entertainment venue who could perhaps get a job at the speedway if it comes to fruition, Pickit is cautiously optimistic. He doesn't want to see local residents "screwed" if the project doesn't pan out.

"Who is paying for it?" Pickit asked. "He didn't say who is paying for it."

Following the meeting, Scott Long – an independent investment banker who is assisting the developers – explained that negotiations are under way with financial institutions, whose names will be revealed once funding packages are finalized. He said discussions have involved both foreign and domestic sources, with funding possibly coming from banks, sovereign wealth funds or wealthy individuals abroad.

"Enough of them are serious enough that I believe we're over the bridge, but it's not in ink yet," Long said.

Of about 35 early investors, Long said a handful attended the Elko New Market meeting.

### **A THIRD TRY**

Tinklenberg said the project will undergo an extensive environmental review in Scott County. About half of the proposed development lies in New Market Township and is proposed for annexation by the city of Elko New Market.

Pickit wants assurance the project won't go belly up or worsen traffic for motorists like him, who already face an hour commute.

"I don't want it to be approved just because they're flashing these big numbers," he said.

A similar project was proposed in Big Lake Township in August 2008 and in Lino Lakes at the end of 2010.

No formal development application was ever made in Big Lake, senior city planner Katie Larsen said, but city leaders had concerns because the company was unable to provide traffic or noise-related information in preliminary discussions.

"There were too many unknowns for anyone to comfortably pull the trigger [and say], let's really go after these guys," Larsen said.

People in the township expressed concern about noise, the proposed location near homes along the Mississippi River, as well as insufficient traffic infrastructure, in a meeting company CEO Jim Farnum held with Big Lake Township in October 2008. The company never applied for a development permit in Sherburne County.

Township residents were also skeptical because the company has never developed a track before. In the presentation in Elko New Market, Tinklenberg mentioned that the company is working with sports-management consulting firm Don

Schumacher and Associates and Baskervill Architects, which has designed major race tracks.

Lino Lakes City Administrator Jeff Karlson said the company wanted a letter of support from his city, but the council was unwilling to do so without further information.

A preliminary noise analysis was conducted, at the request of the city, but developers didn't want to undertake an environmental assessment, which would have cost hundreds of thousands of dollars.

"They were looking for approval before putting money into it," said Karlson.

The company was also unwilling to reveal much about its financial backing to the council.

Tremendous financial investment would have been required from the developer for sewer and water infrastructure, as well as road connections to I-35, Karlson said.

The developer moved to neighboring Columbus, but that site had substantial wetland complications.

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