



DESTINATION MEDICAL CENTER CORPORATION (DMCC)

BOARD MEETING

9:30 A.M. THURSDAY, August 27, 2015

MAYO CIVIC CENTER - ROCHESTER



DESTINATION MEDICAL CENTER CORPORATION (DMCC)

BOARD MEETING

Thursday, August 27, 2015

9:30 A.M.

AGENDA

- I. Call to Order
- II. Roll Call
- III. Approval of Agenda
- IV. Approval of Minutes: July 30, 2015
- V. Public Comment Period
- VI. Chair's Report
- VII. DMCC 2015 Budget: Year to Date Update
- VIII. DMCC 2016 Funding Request: Discussion
 - A. EDA 2016 Budget, Workplan, Five-year CIP
 - B. DMCC 2016 Budget
- IX. Center for Energy and Environment: Discussion
- X. Rochester International Airport: Presentation by John C. Reed, Executive Director
- XI. Economic Development Agency
 - A. Update
 - B. Website Presentation
- XII. City of Rochester
 - A. Update
 - B. Transit/Infrastructure Program Manager
- XIII. Meeting Schedule
 - A. Next Regular Meeting: Thursday, September 24, 2015 at 9:30 A.M.
- XIV. Adjournment

**DESTINATION MEDICAL CENTER CORPORATION
BOARD OF DIRECTORS**

**MINUTES
July 30, 2015**

- I. Call to Order. Chair Tina Smith called the meeting to order and acknowledged and thanked all in attendance, including legislators and City Council members.
- II. Roll Call. In attendance were Chair Tina Smith, R.T. Rybak, Susan Park Rani, Mayor Ardell F. Brede, City Council Member Ed Hruska, Jim Campbell, Commissioner Jim Bier and Bill George.
- III. Approval of Agenda. Commissioner Bier moved approval of the agenda. Council Member Hruska seconded.

Ayes (8), Nays (0), Motion carried.

- IV. Approval of Minutes: Chair Smith requested approval of the Minutes from the meeting held on May 28, 2015. Mr. Campbell moved approval. Ms. Park Rani seconded.

Ayes (8), Nays (0), Motion carried.

- V. Public Comment Period. Chair Smith invited members of the community to provide comments.

Barry Skolnick commented on deadlines for construction of DMCC-funded projects. He asked about the “master list of thought leaders” in the summary of primary outcomes, and asked whether meetings regarding historic preservation and other issues would be open to the public.

Senator Dave Senjem spoke about Hafen City in Hamburg, Germany, as a good source of information on renewable energy. The redevelopment of Hafen City is a \$10 billion project with public amenities, sustainable energy, and a district energy system. A German delegation will be in Rochester, Minnesota on Wednesday, October 14.

Anna Ritchey, Rochester resident and Southern Minnesota Coordinator for Conservation Minnesota, noted support for McKnight Foundation’s involvement in the Rochester energy study. She provided 120 signatures in support of this initiative.

Richard Olen, Shoreview, Minnesota resident, commented on his desire for new ways of moving people around Rochester. Mr. Olen suggested that the Indianapolis People Mover project leaders speak to the DMCC Board.

Andrea Kiepe (Sierra Club local chapter) and John Hottinger (Sierra Club statewide) spoke about clean energy options being considered by the DMCC Board. Ms. Kiepe commented on the recent RPU survey showing Rochester community support for sustainability and clean energy.

John Kruesel commented on sustainability issues, the increasing use of recyclables in Rochester, sustaining local landmarks, and promoting walkability.

- VI. Chair's Report. Chair Smith summarized the activities in the recent legislative session and special session clarifying the interpretation of the DMC statute with regard to counting investments made by the City, how the City can pay expenses related to the DMC and how it may use sales tax dollars. Chair Smith stated that the City was successful clarifying these issues during the special session and thanked the legislators (Sen. Carla Nelson, Sen. Dave Senjem, Rep. Kim Norton, Rep. Tina Liebling, and Rep. Greg Davids) involved.

Chair Smith noted the recent DEED (Department of Employment and Economic Development) certification of private investment of \$39 million made by Mayo Clinic in 2014. She also noted that Mayo Clinic has made much larger recent investments in Rochester, but this is the amount that has been certified.

Finally, with regard to the structure of agendas for the rest of the year, Chair Smith said the focus will be on research in patient experience, how the airport fits into the transportation strategy, energy, and historic preservation.

- VII. DMCC 2015 Budget: The 2015 year-to-date budget was reviewed.

Chair Smith asked for a motion to revise the 2015 budget with the carry-forward of \$570,106 of development plan costs from 2014 to 2015. Council Member Hruska moved approval. Ms. Park Rani seconded.

Ayes (8), Nays (0), Motion carried.

- VIII. 2016 DMCC Funding Request: Chair Smith opened the discussion on the budget timing and approval process, noting that the City has agreed to waive the deadline of September 1 and allow the DMCC to submit the Funding Request by October 1. The DMCC Board will have two meetings to review and approve the budget.

Lisa Clarke, Executive Director of the EDA, briefly walked through the EDA's 2016 Workplan in the Board's packet, explaining that the 2016 Workplan is aligned with the priority areas identified by the DMCC Board: the Discovery Square subdistrict, Heart of the City subdistrict, and transportation infrastructure. She noted that there is a detailed Workplan consistent with the 2015/2016 DMC Workplan approved by the DMCC Board in April, and the 2016 plan before the DMCC Board today also includes some specific outcomes and tangible and measurable deliverables and tasks that the DMCC Board can expect to see implemented next year.

Mr. Campbell stated the Board must scrutinize the budget to deliver a sound budget to the City. He commented on the development of a scoreboard to measure and track results in 2016. Mr. George said that he was concerned about special interests chipping away at budgets, and in order to show real progress to the City of Rochester, the Board must preserve focus on DMC projects in the Heart of the City and Discovery Square subdistricts over the next 18 months. Mr. Rybak said he liked the Workplan and the way it is tied to the budget, but believes that the Heart of the City district should be a welcoming public space that does not focus on private investment to lead the effort. Council Member Hruska stated that he liked the structure of the EDA Workplan and budget alignment, but has concerns about the number of tasks and the need to focus. Chair Smith added that in the role of the EDA as partner to the DMCC and the City, it is important to determine who is the leader, supporter or advocate for each task. Ms. Park Rani, Mr. Rybak and Mayor Brede agreed with the importance of defining the EDA roles.

IX. DMCC 2014 Audit Presentation: Craig Popenhagen of CliftonLarsonAllen discussed the 2014 DMCC audit in detail. The DMCC received a clean audit, and there were no findings on internal controls. He noted that the EDA's Master Application for Payment process is well-controlled and documented. The next item to complete is preparation of Federal and State tax returns by November 15.

X. DMCC Proposal To McKnight Foundation: Kate Wolford, President of the McKnight Foundation, described the history and current activities of the McKnight Foundation and its interest in the DMC initiative. Sheldon Strom of the Center for Energy and Environment and Ken Smith of Ever-Green Energy explained what their involvement with DMCC will be through the McKnight Foundation in energy planning. The focus will be on Heart of the City and Discovery Square districts, and the goals for the project are to formulate options for advancing DMC energy and climate goals, coordinate an energy infrastructure strategy and operating principles, and identify metrics by which benefits can be measured.

Chair Smith requested a motion to approve the DMCC Proposal to the McKnight Foundation. Commissioner Bier moved approval. Mr. Campbell seconded.

Ayes (8), Nays (0), Motion carried.

XI. Economic Development Agency: Lisa Clarke, Executive Director of the EDA, thanked the Board for discussions on the workplan and energy plan, and stated that the EDA staff should be in place on September 1, 2015.

Ms. Clarke gave an update on the creation of the EDA organization and the development of its operations. The DMC website redesign is in process and a draft will be ready at the end of August. She then detailed outreach efforts in the community, the marketing of Discovery Square plans, partnerships across the state and region, and the ambassador program.

Ms. Clarke reported on the administrative and planning staff group efforts, including work on an application and a flowchart for developers. The team has also created an evaluation report which will be used to condense information related to developers and projects for delivery to the DMCC. Ms. Clarke described the recent Supplier Diversity Workshop sponsored by the Rochester Area Chamber of Commerce and Mayo Clinic in which the EDA participated. She also reported that Discovery Square planning initiatives are on track and on time. Mr. Campbell mentioned the importance of patient experience and feedback from Mayo employees.

XII. City of Rochester: Randy Staver, Rochester City Council President, discussed the DMC II legislation that was passed. He then summarized the City's agreement with DEED and stated that it was signed and approved earlier this month. Council President Staver also discussed the City's lead role in transportation and parking initiatives and studies, including the Request for Proposals' process for a transportation infrastructure consultant, the recommendation of which will be submitted to the DMCC and City for approval.

Mayor Brede then gave an update on the status of the Chateau Theatre historic preservation effort, noting that a task force will be formed to address future use.

XIII. Meeting Schedule: The next regular meeting is Thursday, August 27, 2015, at 9:30 a.m.

XIV. Adjournment: Mayor Brede moved to adjourn the meeting. Mr. Campbell seconded.
Ayes (7), Nays (0), Motion carried.

804454-4

TO: Jim Bier, Treasurer
Kathleen Lamb, Attorney

FR: Dale Martinson, Assistant Treasurer

Date: August 18, 2015

RE: July 2015 Financial Summary



The attached financial summary for July reflects activity to date totaling \$1,356,545 of 2015 budgeted expenditures plus \$550,675 of total closeout work on the 2014 plan development carryover costs. The highest cost category again continues to be the professional services contract costs totaling \$1,025,337 with the most significant portion going to the Hammes Company for their services to the DMC EDA.

It is important to note in the bottom portion of the face summary, that the working capital loan outstanding to the DMC EDA has now increased by \$40,000 to a total of \$50,000. The DMC EDA has now hired their first two staff positions and will need to be making payroll outlays from this cash until replenishment can be made, likely twice per month.

Please feel free to contact me with any questions or concerns.

Destination Medical Center Corporation
Financial Budget Summary
July 2015

	2015 Amended Approved Budget	Curent Month July 2015	July 2015 YTD	Amount Remaining	Percent Remaining
General Expenses	217,203	2,174	18,257	198,946	92%
Professional Services	780,600	76,649	180,425	600,175	77%
City Expenses	275,000		-	275,000	100%
Subtotal DMCC	1,272,803	78,823	198,682	1,074,121	84%
Third Party Costs - DMC EDA *					
Payroll, Staff, Administration & Benefits-EDA	218,000	-	-	218,000	100%
General Expenses - EDA	79,000	225	1,392	77,608	98%
Economic Development Outreach	108,000	29,074	131,094	(23,094)	-21%
Meeting Expenses	-	-	-	-	
Professional Services	2,295,000	267,398	1,025,377	1,269,623	55%
Miscellaneous Expenses	100,000	-		100,000	100%
Subtotal EDA	2,800,000	296,697	1,157,863	1,642,137	59%
Total DMCC 2015	4,072,803	375,520	1,356,545	2,716,258	67%
			-		
Plus 2014 EDA Project/Contract Carryover	570,106 *	31	550,675	19,431	3%
				-	-
DMCC Working Capital Note			1,000		
EDA Working Capital Note			50,000		
* See Attached Contract Commitments for EDA Portion					

***Carryover of 2014 Budget to complete plan as approved by board on 7/30/2015**

DETAIL COST REPORT #2

July 31, 2015

Division	Description	Schedule of Values							Variance	Work in Place	
		Master Project Budget A	Original Contract Amount B	Contract Revisions C	Committed Costs B+C	Committed Direct Owner Purchases D	Un-Committed Costs E	Final Projected Cost B+C+D+E	Over/(Under) Budget (B+C+D+E)-A	Total Work In Place	Percent Complete
DEVELOPMENT COSTS											
40-05-000	Architecture & Engineering	\$135,000.00	\$13,390.47	\$0.00	\$13,390.47	\$0.00	\$121,609.53	\$135,000.00	\$0.00	\$1,299.57	0.96%
40-05-300	Planning Services, Architecture, Engineering	\$135,000.00	\$13,390.47	\$0.00	\$13,390.47	\$0.00	\$121,609.53	\$135,000.00	\$0.00	\$1,299.57	0.96%
40-25-000	Marketing & Public Relations	\$318,000.00	\$386,516.20	\$0.00	\$386,516.20	\$0.00	(\$68,516.20)	\$318,000.00	\$0.00	\$131,093.70	41.22%
40-25-300	Communications, Marketing & PR	\$108,000.00	\$273,225.00	\$0.00	\$273,225.00	\$0.00	(\$165,225.00)	\$108,000.00	\$0.00	\$116,012.50	107.42%
40-25-310	Public Relations & Communications	\$210,000.00	\$113,291.20	\$0.00	\$113,291.20	\$0.00	\$96,708.80	\$210,000.00	\$0.00	\$15,081.20	7.18%
40-30-000	Development Services	\$1,900,000.00	\$1,862,000.00	\$0.00	\$1,862,000.00	\$0.00	\$38,000.00	\$1,900,000.00	\$0.00	\$962,000.00	50.63%
40-30-300	Development Services	\$1,860,000.00	\$1,860,000.00	\$0.00	\$1,860,000.00	\$0.00	\$0.00	\$1,860,000.00	\$0.00	\$960,000.00	51.61%
40-30-310	Financial, Accounting & Investment Services	\$40,000.00	\$2,000.00	\$0.00	\$2,000.00	\$0.00	\$38,000.00	\$40,000.00	\$0.00	\$2,000.00	5.00%
40-35-000	Legal Services	\$50,000.00	\$46,329.33	\$548.00	\$46,877.33	\$0.00	\$3,122.67	\$50,000.00	\$0.00	\$46,877.33	93.75%
40-35-300	Legal Services	\$50,000.00	\$46,329.33	\$548.00	\$46,877.33	\$0.00	\$3,122.67	\$50,000.00	\$0.00	\$46,877.33	93.75%
40-90-000	Other Development Costs	\$397,000.00	\$39,166.97	\$225.00	\$39,391.97	\$0.00	\$357,608.03	\$397,000.00	\$0.00	\$16,591.97	4.18%
40-90-115	Payroll, Staff, Administration & Benefits-EDA	\$218,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$218,000.00	\$218,000.00	\$0.00	\$0.00	0.00%
40-90-120	General Expenses-EDA	\$79,000.00	\$1,166.97	\$225.00	\$1,391.97	\$0.00	\$77,608.03	\$79,000.00	\$0.00	\$1,391.97	1.76%
40-90-300	Reimbursable Expenses	\$100,000.00	\$38,000.00	\$0.00	\$38,000.00	\$0.00	\$62,000.00	\$100,000.00	\$0.00	\$15,200.00	15.20%
	Subtotal	\$2,800,000.00	\$2,347,402.97	\$773.00	\$2,348,175.97	\$0.00	\$451,824.03	\$2,800,000.00	\$0.00	\$1,157,862.57	41.35%
PROJECT CONTINGENCY											
90-00-000	Project Contingency	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	Subtotal	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	PROJECT TOTAL	\$2,800,000.00	\$2,347,402.97	\$773.00	\$2,348,175.97	\$0.00	\$451,824.03	\$2,800,000.00	\$0.00	\$1,157,862.57	41.35%

DETAIL COST REPORT #15

July 31, 2015

Division	Description	Schedule of Values							Variance	Work in Place	
		Master Project Budget A	Original Contract Amount B	Contract Revisions C	Committed Costs B+C	Committed Direct Owner Purchases D	Un-Committed Costs E	Final Projected Cost B+C+D+E	Over/(Under) Budget (B+C+D+E)-A	Total Work In Place	Percent Complete
DEVELOPMENT COSTS											
40-05-000	Architecture & Engineering	\$2,431,000.00	\$1,545,921.60	\$94,900.87	\$1,640,822.47	\$0.00	\$765,022.67	\$2,405,845.14	(\$25,154.86)	\$1,625,727.69	67.57%
40-05-300	Planning Services, Architecture, Engineering	\$2,431,000.00	\$1,545,921.60	\$94,900.87	\$1,640,822.47	\$0.00	\$765,022.67	\$2,405,845.14	(\$25,154.86)	\$1,625,727.69	67.57%
40-25-000	Marketing & Public Relations	\$790,000.00	\$247,563.05	\$160,036.72	\$407,599.77	\$0.00	\$382,400.23	\$790,000.00	\$0.00	\$407,428.03	51.57%
40-25-300	Communications, Marketing & PR	\$545,000.00	\$183,137.76	\$135,326.90	\$318,464.66	\$0.00	\$226,535.34	\$545,000.00	\$0.00	\$318,463.16	58.43%
40-25-310	Public Relations & Communications	\$245,000.00	\$64,425.29	\$24,709.82	\$89,135.11	\$0.00	\$155,864.89	\$245,000.00	\$0.00	\$88,964.87	36.31%
40-30-000	Development Services	\$2,350,000.00	\$2,300,000.00	\$0.00	\$2,300,000.00	\$0.00	\$50,000.00	\$2,350,000.00	\$0.00	\$2,300,000.00	97.87%
40-30-300	Development Services	\$1,675,000.00	\$1,675,000.00	\$0.00	\$1,675,000.00	\$0.00	\$0.00	\$1,675,000.00	\$0.00	\$1,675,000.00	100.00%
40-30-310	Financial, Accounting & Investment Services	\$675,000.00	\$625,000.00	\$0.00	\$625,000.00	\$0.00	\$50,000.00	\$675,000.00	\$0.00	\$625,000.00	92.59%
40-35-000	Legal Services	\$425,000.00	\$126,208.01	\$325,641.64	\$451,849.65	\$0.00	\$0.00	\$451,849.65	\$26,849.65	\$451,849.65	100.00%
40-35-300	Legal Services	\$425,000.00	\$126,208.01	\$325,641.64	\$451,849.65	\$0.00	\$0.00	\$451,849.65	\$26,849.65	\$451,849.65	100.00%
40-55-000	Misc Professional Services	\$451,000.00	\$298,473.00	\$57,783.35	\$356,256.35	\$0.00	\$20,054.45	\$376,310.80	(\$74,689.20)	\$352,092.30	93.56%
40-55-300	Economic Analysis, Market Research, Reports	\$351,000.00	\$298,473.00	\$57,783.35	\$356,256.35	\$0.00	\$2,850.00	\$359,106.35	\$8,106.35	\$352,092.30	98.05%
40-55-310	Other Professional Services & Project Costs	\$100,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$17,204.45	\$17,204.45	(\$82,795.55)	\$0.00	0.00%
40-90-000	Other Development Costs	\$872,000.00	\$182,504.02	\$162,034.61	\$344,538.63	\$0.00	\$600,455.78	\$944,994.41	\$72,994.41	\$344,538.63	36.46%
40-90-115	Payroll, Staff, Administration & Benefits-EDA	\$460,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$460,000.00	\$460,000.00	\$0.00	\$0.00	0.00%
40-90-120	General Expenses-EDA	\$382,000.00	\$182,504.02	\$32,190.55	\$214,694.57	\$0.00	\$140,455.78	\$355,150.35	(\$26,849.65)	\$214,694.57	60.45%
40-90-300	Reimbursable Expenses	\$30,000.00	\$0.00	\$129,844.06	\$129,844.06	\$0.00	\$0.00	\$129,844.06	\$99,844.06	\$129,844.06	100.00%
	Subtotal	\$7,319,000.00	\$4,700,669.68	\$800,397.19	\$5,501,066.87	\$0.00	\$1,817,933.13	\$7,319,000.00	\$0.00	\$5,481,636.30	74.90%
PROJECT CONTINGENCY											
90-00-000	Project Contingency	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	Subtotal	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	PROJECT TOTAL	\$7,319,000.00	\$4,700,669.68	\$800,397.19	\$5,501,066.87	\$0.00	\$1,817,933.13	\$7,319,000.00	\$0.00	\$5,481,636.30	74.90%

2015 Budget Roll forward

The Current 2015 (10 Month) Budget has three line item changes to the original adopted 2015 Budget:

1. \$6,000 of payroll expenses was moved from “EDA Operational Costs” to “EDA Staff Costs” to better group the expense.
2. \$48,000 of “Rent, Utilities, Office & Equipment Expenses” was broken out from one single line item to five line items to show more visibility to the different type of expenses.
3. \$35,000 was moved from “Outreach, Print & Collateral” to “Website, Drafting and Graphics Support” to allow for the upgrades to the website in 2015.

2015 Budget Rollforward

	A	B	A + B	C	A + B + C
	2015 As Adopted	Revisions	Current	Mayo Funding	Total Budget
EDA Staff Costs					
Payroll	(156,000)	-	(156,000)	(235,000)	(391,000)
Benefits	(62,000)	-	(62,000)	(94,000)	(156,000)
Payroll & HR Expenses	-	(6,000)	(6,000)	-	(6,000)
Transportation/Transit Subsidy	-	-	-	-	-
Reimbursements	-	-	-	-	-
Total EDA Staff Costs	(218,000)	(6,000)	(224,000)	(329,000)	(553,000)
EDA Operational Costs					
Rent	(48,000)	48,000	-	(54,000)	(54,000)
Payroll Expenses	(6,000)	6,000	-	-	-
Utilities	-	-	-	(3,000)	(3,000)
Security System, Phone/Computer Connections	-	-	-	-	-
Equipment Rentals/Furniture	-	(11,000)	(11,000)	-	(11,000)
Printer Lease	-	-	-	-	-
Office Supplies/Consumables	-	(10,000)	(10,000)	-	(10,000)
Postage, Shipping, Messenger	-	(1,100)	(1,100)	-	(1,100)
IT Hardware Software Purchase	-	(18,000)	(18,000)	-	(18,000)
IT Support, Offsite Backup, Phone Lease	-	-	-	-	-
Room Rental	-	-	-	(9,000)	(9,000)
Website, Drafting, Hosting	(5,000)	(35,000)	(40,000)	(25,000)	(65,000)
Miscellaneous Ops Costs	(20,000)	(7,900)	(27,900)	(5,000)	(32,900)
Total EDA Operational Costs	(79,000)	(29,000)	(108,000)	(96,000)	(204,000)
Econ Dev Outreach & Support					
Outreach, Print & Collateral	(43,000)	35,000	(8,000)	-	(8,000)
Subscriptions/Professional Organization Memberships	(5,000)	-	(5,000)	-	(5,000)
Conferences, Meetings, Travel & Sponsorships	(40,000)	-	(40,000)	-	(40,000)
Miscellaneous Econ Dev Costs	(20,000)	-	(20,000)	-	(20,000)
Total Econ Dev Outreach & Support	(108,000)	35,000	(73,000)	-	(73,000)
Professional Services					
EDA Development Management Services	(1,860,000)	-	(1,860,000)	-	(1,860,000)
Legal Services	(50,000)	-	(50,000)	-	(50,000)
Website Advanced Design	-	-	-	-	-
Marketing Communications & Advertising	-	-	-	-	-
Public Relations / Community Relations	(210,000)	-	(210,000)	-	(210,000)
Financial Reporting Services	(40,000)	-	(40,000)	-	(40,000)
Other Contracting Services	(135,000)	-	(135,000)	-	(135,000)
Total Professional Services	(2,295,000)	-	(2,295,000)	-	(2,295,000)
Miscellaneous Costs					
Insurance & Taxes	-	-	-	(60,000)	(60,000)
Miscellaneous Costs / Contingency	(100,000)	-	(100,000)	(100,000)	(200,000)
Total Miscellaneous Costs	(100,000)	-	(100,000)	(160,000)	(260,000)
Total Budget	(2,800,000)	-	(2,800,000)	(585,000)	(3,385,000)

EDA 2016 DRAFT BUDGET DETAIL

EDA 2016 DRAFT BUDGET DETAIL	EDA 2015* Budget Total (EDA & Mayo - 10 mo. Budget March - Dec 2015)	Draft EDA 2016 Budget (12 mo. Budget)	Proposed 2016 Mayo Funding**	2016 TOTAL	2016 Budget Assumptions
EDA Staff Costs					<i>* 2.5% increase applied to each position after 1 year of employment during 2016 (average non-profit salary increase range is 2.5% - 3% according to Smart HR)</i>
Payroll	\$391,000	\$520,563	\$229,219	\$749,781	Exec Director, Communications/Community Relations Dir., Exec Assistant , Econ Dev/ Operations Dir, Finance Dir. , Bus Dev/Communication Coordinator
Benefits	\$156,000	\$208,225	\$91,688	\$299,913	Benefits estimated at 40% of salary includes EDA benefits plus employer paid taxes and unemployment insurance
Mayo Contributed Staff	\$0	\$0	\$330,000	\$330,000	Mayo's In-kind contribution (salary & benefits) for two Mayo employees to provide direct coordination with EDA
Payroll Expenses (note 1)	\$6,000	\$6,000		\$6,000	2016 budget comparable to the 2015 budget - Smart HR Services
Transportation/Transit Subsidy (note 2)	\$0	\$7,200		\$7,200	\$1200 per year per staff member (6 staff)
Reimbursements (note 3)	\$0	\$35,000		\$35,000	Budget allocation for staff miscellaneous reimbursable expenses (meals, marketing lunches/dinners, etc., excluding travel); budgeted very conservatively < 1%
Subtotal	\$553,000	\$777,000	\$651,000	\$1,428,000	
EDA Operational Costs					
Rent	\$54,000	\$0	\$72,000	\$72,000	Rent cost estimate provided by Mayo Clinic Facilities
Utilities /Cleaning Services	\$3,000	\$0		\$0	Included in rent cost
Security System, Phone/Computer Connections	\$0	\$0	\$35,000	\$35,000	Mayo Facilities Department budget
Equipment Rentals/Furniture	\$11,000	\$8,000		\$8,000	EDA budget: printer/copier annual leases
Office Supplies/Consumables	\$10,000	\$14,000		\$14,000	Full -year office supplies and consumables (includes an additional lap top purchase)
Postage, Shipping, Messenger, etc.	\$1,100	\$2,200		\$2,200	2016 budget estimate
Server and Maintenance Contract	\$18,000	\$15,000		\$15,000	Budget estimate for 2016/2017 server maintenance contract: \$1250/ month (assume contract start 3rd Qtr. 2016) Note: server cost included in 2015 budget
Room Rental (Board Meetings & Community Meetings) (note 4)	\$9,000	\$9,000		\$9,000	2016 budget comparable to the 2015 budget
Website, Drafting, Hosting (note 5)	\$65,000	\$65,000		\$65,000	2016 budget comparable to the 2015 budget
Miscellaneous Costs (note 6)	\$32,500	\$50,000		\$50,000	Includes office phones, internet, other miscellaneous costs, and a contingency
Subtotal	\$204,000	\$163,000	\$107,000	\$270,000	
Economic Development Outreach & Support					
Outreach, Print & Collateral	\$8,000	\$230,000		\$230,000	Launch of comprehensive outreach campaign, design and production of marketing collateral
Subscriptions/Professional Organization Memberships	\$5,000	\$15,000		\$15,000	Allocation for EDA's staff members
Conferences, Meetings, Travel & Sponsorships	\$40,000	\$225,000		\$225,000	Budget for local, national, and international participation and event sponsorships to promote the DMC
Miscellaneous Costs	\$20,000	\$25,000		\$25,000	Budget allocation for additional outreach miscellaneous expenses
Subtotal	\$73,000	\$495,000		\$495,000	
Professional Services					
EDA Development Management Services	\$1,860,000	\$0		\$0	Not required in 2016 - EDA will be fully staffed and operational
Legal Services	\$50,000	\$175,000		\$175,000	Consultant contract negotiations, general business/nonprofit compliance issues, etc.
Website Advanced Design (note 7)	\$0	\$65,000		\$65,000	Additional consultant fees (currently Brandhoo) for Phase 2 web design services
Marketing Communications & Advertising	\$0	\$393,000	\$157,000	\$550,000	Consultant fees, paid media, if any, and other related costs
Public Relations/Community Relations (note 8)	\$210,000	\$200,000		\$200,000	Lower budget due to addition of an EDA communication coordination staff member
Financial Reporting Services (e.g. tax, audit)	\$40,000	\$90,000		\$90,000	Higher financial reporting /audit fees expected in 2016
Other Contracting Services / Expenses	\$135,000	\$225,000		\$225,000	Budget allocation for additional contracted services including: econ/fiscal impacts, architectural/engineering design reviews, market analysis
Subtotal	\$2,295,000	\$1,148,000	\$157,000	\$1,305,000	
Miscellaneous Costs					
Insurance & Taxes	\$60,000	\$80,000		\$80,000	Budget allocation for anticipated higher cost
Miscellaneous Costs / Contingency	\$200,000	\$325,000		\$325,000	Budget allocation for miscellaneous costs and a contingency
Subtotal	\$260,000	\$405,000		\$405,000	
PHASE 2 TOTAL BUDGET	\$3,385,000	\$2,988,000	\$915,000	\$3,903,000	

* EDA 2015 budget line items have been adjusted to compare to the 2016 budget presentation, as noted below.

Note 1: Payroll expenses were included in General Administrative costs in the 2015 budget

Note 2: Transportation/Transit Subsidy - New 2016 budget line item

Note 3: Reimbursements - New 2016 budget line item

Note 4: Room Rental Costs were in Meeting Expenses costs in the 2015 budget

Note 5: Formerly titled " Website, Drafting and Graphics Support" in 2015 budget, plus \$35,000 added by the DMCC Board under "Outreach, Print & Collateral"

Note 6: Miscellaneous Costs includes ancillary costs associated with meetings and room rentals

Note 7: Website Advanced Design - New 2016 budget line item

Note 8: Formerly titled " Public Relations & Communications" in 2015 budget

** In addition to the \$585,000 included here to be expended by Mayo Clinic for direct EDA costs and services, Mayo also intends to expend approximately \$330,000 (in salary and benefits) for two Mayo employees to provide direct coordination with EDA

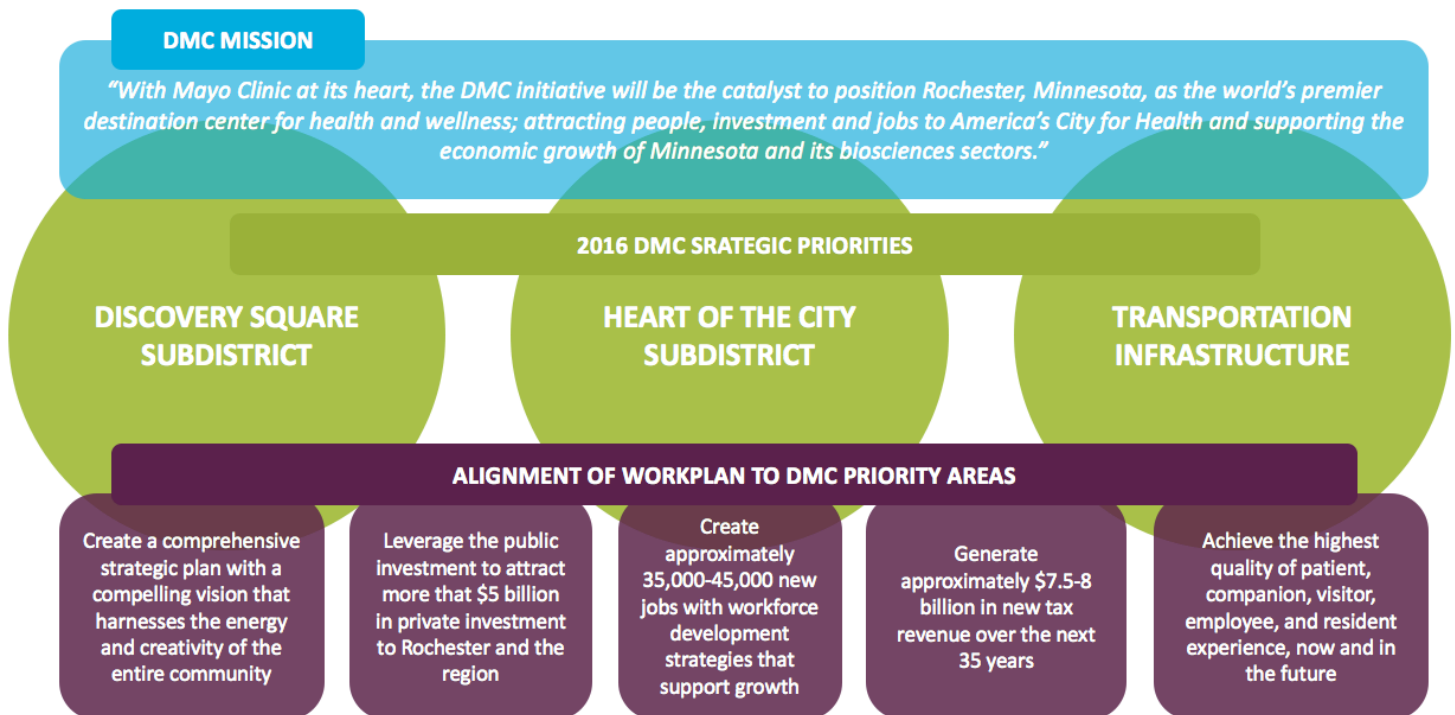
BACKGROUND / STATUTORY FRAMEWORK

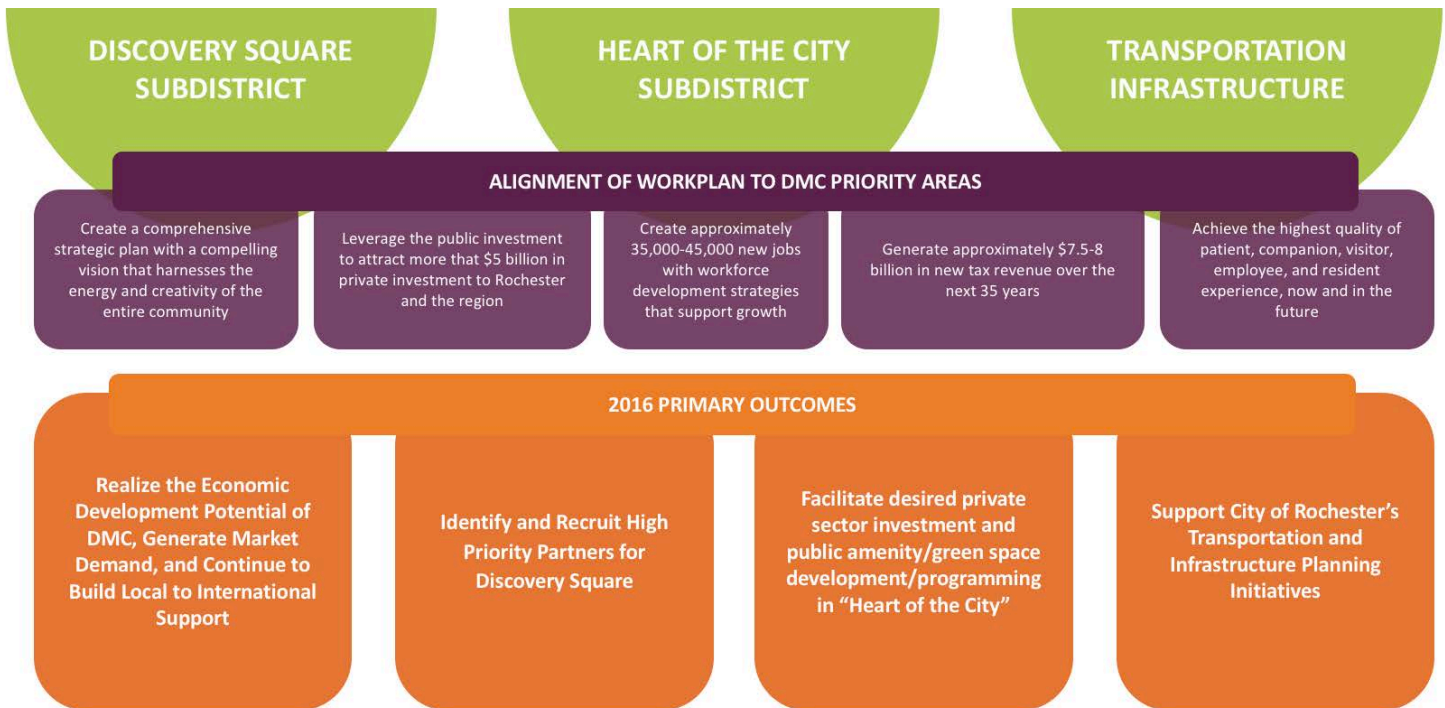
- In 2016, the Destination Medical Center (“DMC”) initiative will be firmly rooted in the implementation phase of work.
- The work to be undertaken is just as envisioned by lawmakers and the executive branch in 2013, and even more tangible and important today with the backing of a strong Development Plan, which was created with a compelling vision that harnesses the energy and creativity of the entire community.
- The Development Plan and annual Workplans will guide the State’s most important public-private development initiative – one designed with the potential to leverage significant private investment and generate \$7.5 billion to \$8 billion in tax revenues and 35,000 to 45,000 new jobs with proper execution of these plans.

DMC EDA PURPOSE

The DMC Economic Development Agency (“DMC EDA”) is the entity responsible for “developing and marketing” the DMC initiative on behalf of the Destination Medical Center Corporation (“DMCC”) and the City, consistent with the DMC Mission.

- The specific responsibilities of the DMC EDA are enumerated under the Minnesota, Chapter 143, Article 10, as amended (the “DMC Law”).
- Additional, consistent responsibilities are outlined in the contract between the DMCC and the DMC EDA.
- The DMC EDA’s Goals and related work will be based upon strategic priorities and desired outcomes and will be informed and driven by the DMC Development Plan and annual Workplans, as well as topic-specific strategic implementation plans.





**SUMMARY OF PRIMARY OUTCOMES
2016 KEY DELIVERABLES & TASKS**

Realize the economic development potential of DMC, generate market demand, and continue to build local to international support

Organize a "DMC DAY" event in Rochester that invites potential private and public partners to participate in a detailed tutorial on how DMC connects to Mayo's business strategy. **LEAD**

Evolve DMC brand identity and create marketing/collateral materials highlighting Heart of City and Discovery Square. **LEAD**

Develop a master list of over 250 industry and thought leaders and stakeholders (local to national) that will be provided a DMC update letter at least twice in 2016. Smaller groups may be identified for personal outreach or briefings. **LEAD**

Expand news media outreach and DMC story development by targeting at least 12 MN State media outlets and 10 high-value national media outlets (working in coordination with Mayo public affairs) for briefings and to offer ideas for possible DMC stories. **LEAD**

Develop not less than 5 short- and long-term strategies for leveraging existing stakeholder relationships and meeting each of the business/economic development goals of Development Plan (i.e., ignite Bio-Med-Tech economy through Discovery Square, catalyze growth in the Heart of the City, diversify business base in the Development District, foster entrepreneurial enterprise and innovation, and facilitate a regional economy). **LEAD**

Enter Phase 2 (advanced) redesign of DMC/DMC EDA Web Site to provide additional functionality for project developers to track DMC funding process and development progress in Heart of City and Discovery Square.	LEAD
Track private investment into DMC that counts towards the \$200 million threshold that triggers the General State Infrastructure Aid (“GSIA”).	LEAD, PARTICIPATE
Meet monthly with leaders in the six policy areas of focus: (1) energy/sustainability, (2) healthy communities, (3) historic preservation, (4) affordable housing, (5) targeted businesses, and (6) arts and culture, as well as community services to identify a “Quality of Life” scorecard. Public participation will be encouraged at various times throughout these discussions.	PARTICIPATE
Facilitate/assist with programming and placemaking related to public spaces.	PARTICIPATE
Develop a strategy to engage stakeholders and facilitate discussions to position Rochester as the healthiest city in America.	PARTICIPATE
Continue to foster, promote and support community voices that are, or will be users, of the downtown area (students, millennials, baby boomers, etc.)	PARTICIPATE
Meet with IBM to identify technology-based opportunities for priority area in DMC; present related strategic implementation plan by 3 rd quarter of 2016.	PARTICIPATE

Identify and recruit high priority partners for “Discovery Square”

Launch DMC Discovery Square initiative at 2016 International BioConference, June 6 th through 9 th .	LEAD
Identify/participate in 2 to 3 other statewide/national/international conferences and events to gain exposure among key leaders in support of Discovery Square.	LEAD
Work with Mayo Clinic to identify a Developer for Discovery Square by 2 nd quarter of 2016.	PARTICIPATE
Meet at least quarterly with key organizations to align shared vision for Discovery Square (e.g., BioAM, RAEDI, Rochester Community & Technical College, University of MN, Rochester Public School System, Rochester Downtown Alliance, Rochester Convention & Visitors Bureau, etc.).	PARTICIPATE
Meet not less than monthly with Mayo Clinic to complete Discovery Square feasibility study and project plan by February 1 st , 2016.	PARTICIPATE
Meet monthly with Mayo Clinic/Mayo Ventures to begin recruitment of top 10 Bio-Med-Tech partners for Discovery Square in 2 nd – 4 th quarters of 2016.	PARTICIPATE

Facilitate desired private sector investment and public amenities/space development/programming in “Heart of the City”

Identify and engage 5 to 6 potential hospitality industry partners for Heart of City development, including a five-star hotel.	LEAD
Identify/participate in 2 to 3 statewide/national/international conferences and events in Retail/Dining/Entertainment/Experience industry (e.g., RECon Global Retail Real Estate Convention, International Downtown Association).	LEAD
Create workforce strategies targeted to Bio-Med-Tech, Construction, and Hospitality industries.	LEAD, PARTICIPATE
Meet not less than quarterly with key organizations to align shared vision on patients', visitors' and residents' overall experience in Heart of the City. (e.g., Mayo Clinic Concierge, Office of Patient Experience, Hospitality First, RCVB, RDA, Chamber of Commerce, Historic Preservation, RAEDI, City Parks and Recreation).	LEAD, PARTICIPATE
Work with the City of Rochester and Mayo Clinic to finalize Phase 1 priorities for desired public and private developments in downtown Rochester.	PARTICIPATE

Support City of Rochester's *Transportation and Infrastructure* planning initiatives

Add Web Site information to highlight future transportation options/alternatives.	LEAD
Utilize Mayo patient and employee research/resources to establish 5 key short- and long-term goals for Transportation initiatives.	PARTICIPATE
Assist City of Rochester and Olmsted County with Preliminary Engineering Studies/Concept Designs for Development Plan Phase 1 projects.	PARTICIPATE
Help align transportation/infrastructure needs to anticipated Mayo growth and other private investments (Mayo strategic transportation recommendations by 4 th quarter of 2016).	PARTICIPATE
Engage contiguous community neighborhoods on transportation and transit initiatives (e.g., Rneighbors, Mayor's Neighborhood Council, Kutzky Park, Slatterly Park, East Side, Sunny Side, Historic SW, Northrup).	PARTICIPATE

<p>APPENDIX A PROPOSED 2016 BUDGET</p>

APPENDIX B COMPREHENSIVE 2016 WORKPLAN

SPECIFIC BUSINESS & ECONOMIC DEVELOPMENT DELIVERABLES / TASKS

- **Business Development & Relations**
 - Implement Adopted Strategies of Development Plan and Detailed Business Development Strategic Implementation Plan
 - Provide Metrics Reporting to Measure Goals and Objectives of the Development Plan
 - Provide Grant Writing Assistance (State, Federal, Local), Tax Credit Application Assistance and Other Funding Sources for Priority Projects
 - Provide Site Location and Demographic Information to Potential Private Project Sponsors and Economic Development Partners
 - Develop Recruitment and Retention Strategies to Address Work Force Development Needs in Targeted Business Sectors
 - Provide Environmental, Infrastructure and Utility Information to Private Sponsors

- **Economic Development**
 - Facilitate Catalytic Development Planning Efforts with Mayo, City, Other Stakeholders
 - Facilitate the Execution of Feasibility Studies and Project Plans by Other Private Partners for Priority Development Areas
 - Coordinate with City of Rochester on Integration of the Development Plan with the City Comprehensive Plan, Ordinances, Policies
 - Coordinate with City of Rochester on Citywide Initiatives, Including Policy Initiatives such as Energy and Sustainability, Healthy Communities, Historic Preservation, Affordable Housing, W/MBE, and Arts and Culture
 - Monitor Private Development in the Development District and Forecast Private Expenditures
 - Assist in Identifying and Evaluating Partnerships for Investment (Including Start-Ups, Business Incubators, Established Companies)
 - Assist in Identifying and Evaluating Sponsorship Opportunities and Facilitate Further Public-Private Partnerships

- **Planning & Infrastructure**
 - Work with City of Rochester and Olmsted County to Manage Preliminary Engineering Studies/Concept Designs for Development Plan Phase 1 Transportation and Infrastructure Plans
 - Work with City of Rochester and Olmsted County to Establish Transit Management Authority
 - Coordinate Master Signage/Wayfinding Plan with the City
 - Coordinate with the City of Rochester and other Stakeholders on Infrastructure Planning for Priority

SPECIFIC OUTREACH / ENGAGEMENT, COMMUNICATIONS & PUBLIC RELATIONS DELIVERABLES / TASKS

- **Business Development Outreach**
 - Coordinate Messaging and Materials in Support of Strategic Priorities Identified in the DMC Development Plan and by the DMCC Board
 - Select a Marketing Consultant to Develop a Business Development Strategic Implementation Plan that will Attract Business and Foster Economic Development in the DMC District

- Oversee Preparation and Implementation of Business Development Strategic Plan
- Implement Brand Use Guidelines, Protocols
- Manage Marketing and Communications Consultants to the DMC EDA and DMCC
- Provide Metrics to Measure Goals and Objectives
- Coordinate Attendance, Visibility and Sponsorship for Key Conferences, Activities (Local, Regional, National, International)
- Facilitate Promotional and Sponsorship Initiatives
- Manage and Coordinate Ongoing Meetings and Opportunities for the Public to Gather to Inform and Consult (e.g., World Café, Public Forums, Social Media, Open Houses, etc.)
- **Communications & Collateral Material(s)**
 - Develop and Implement Outreach Strategy
 - Oversee All Communication Vehicles: Collateral, Social Media Platforms, Blog, DMC Website Content, Newsletter, External Communications
 - Coordinate Communications Initiatives with Stakeholders: EDA, Mayo, City, County, and State
- **Community Outreach / Engagement**
 - Implement Community Relations Strategic Implementation Plan
 - Develop Additional, Specific Strategies for Cooperation with Local, Regional and National Partners Based Upon Private Project Development
 - Continue to Foster Connections to Related Programs and Services with Mayo Clinic, RCVB, Chamber, RAEDI, RDA and Other Community Organizations
 - Provide Metrics Reporting to Measure Goals and Objectives
 - Manage and Respond to Community Requests and Inquiries

SPECIFIC OPERATIONS DELIVERABLES / TASKS

- **Management**
 - Prepare Monthly and Annual DMC EDA/DMCC Reports
 - Manage Other Operational Responsibilities of the DMC EDA as Required by the DMC Law
 - Prepare/Manage the DMC EDA Operational Workplan for Phase 3 (2017 and beyond)
 - Manage and Oversee Subconsultants, Contracts
- **Coordination**
 - Interface with Mayo Clinic, Other Stakeholders
 - Coordinate Scheduling and Materials for DMC EDA/DMCC Board Meetings and Community Events
 - Coordinate Communications with Project Sponsors and Economic Development Partners
- **Reporting & Monitoring**
 - Monitor DMC Development District Project Development
 - Track and Report on Economic and Fiscal Impacts Occurring in the DMC Development District
 - Monitor Land Sales, Property Inventory and Parcel Acquisitions in the DMC District
 - Track and Report Workforce Development Achievements

SPECIFIC FINANCE DELIVERABLES / TASKS

- **Project Funding**
 - Prepare DMC Funding Evaluation Reports, including:
 - Review of Minimum Eligibility Requirements
 - Review of all Financial and Economic Modeling Submitted in Funding Applications
 - Validation of Construction Funding Gap Analysis
 - Conduct or Review Financial Feasibility Analysis , including Operating Pro Forma
 - Conduct or Review Fiscal and Economic Impact Analysis
 - Coordinate with City and County on Transportation Funding
 - Monitor, Facilitate Opportunities for Other Project Funding Sources

- **Compliance**
 - Monitor Covenants of DMC Fund Loans/Grants

WORKING DEFINITIONS

LEAD: high priority area, DMC must lead

PARTICIPATE: high significance area, DMC commits money and/or staff, others lead

ENDORSE: significant area, DMC lends name but does not commit money or staff

MONITOR: immaterial area, DMC is not actively involved, observe/check in on projects/events noting changes/progress

DMC 2015/2016 CIP Costs

Initial Cash Source

2015 Funding Summary

Project	Cost	Sources	DMC Sales Tax	County Transit Tax	Mayo	TIF	PE	Sewer U	Storm U	Water U	Grant/other
Heart of the City RFP Prep.	\$10,000	DMC	\$10,000								
Chateau Theatre	\$6,055,000	City/Mayo/DMC Credit	\$5,555,000		\$500,000						
Discovery Square Feasibility	\$1,500,000	Mayo Clinic			\$1,500,000						
Green Stromwater Plan	\$555,000	Grant 300k/City/DMC							\$255,000		\$300,000
Transit/Trans/Infra Mgmt.	\$200,000	County Tax 50%/Utility/MSA/DMC	\$100,000				\$25,000	\$25,000	\$25,000	\$25,000	
TOTAL	\$8,320,000		\$5,665,000	\$0	\$2,000,000	\$0	\$25,000	\$25,000	\$280,000	\$25,000	\$300,000

2016 Funding Summary

Project	Cost	Sources	DMC Sales Tax	County Transit Tax	Mayo	TIF	PE	Sewer U	Storm U	Water U	Grant/other
3rd St. SW Reconstruct/Design	\$150,000	Assessments/TIF/DMC				\$150,000					
Broadway @ Center Devel.	\$3,935,000	TIF/DMC				\$3,935,000					
SS1 12th Ave. Sewer Capacity	\$200,000	Utility/Mayo/DMC						\$200,000			
SS2 Cooke Park Sewer Capacity	\$200,000	Utility/Mayo/DMC						\$200,000			
Broadway @ Center Ramp	\$10,500,000	PE/TIF/DMC					\$10,500,000				
Shared Parking Study	\$200,000	PE/DMC					\$200,000				
City Loop Plan	\$200,000	City/DMC	\$200,000								
Transit/Transp/Infa Mgmt	\$400,000	County Tax 50%/Utility/MSA/DMC	\$200,000	\$100,000			\$25,000	\$25,000	\$25,000	\$25,000	
Transit Circulator Study	\$1,314,000	County Transit Tax		\$1,314,000							
TOTAL	\$17,099,000		\$400,000	\$1,414,000	\$0	\$4,085,000	\$10,725,000	\$425,000	\$25,000	\$25,000	\$0

PE=Parking Enterprise Fund
 Sewer U=Sewer Utility Fund
 Storm U=Storm Water Utility Fund
 Water U=Water Utility Fund
 TIF=Tax Increment Financing

2016 DMCC BUDGET: DRAFT
August 27, 2015

	Escalation	2016												2016 Total			
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec				
Staff Expenses	2.25%																
Meeting Expenses (Note 1)		\$ 2,228	\$ 2,228	\$ 2,228	\$ 2,228	\$ 2,228	\$ 2,228	\$ 2,228	\$ 2,228	\$ 2,228	\$ 2,228	\$ 2,228	\$ 2,228	\$ 2,228	\$ 2,228	\$ 2,228	\$ 26,736
Board Payments (Note 2)		\$ 223	\$ 223	\$ 223	\$ 223	\$ 223	\$ 223	\$ 223	\$ 223	\$ 223	\$ 223	\$ 223	\$ 223	\$ 223	\$ 223	\$ 223	\$ 2,676
Travel Expenses Allowance (Note 3)		\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 7,200
Subtotal		\$ 3,051	\$ 3,051	\$ 3,051	\$ 3,051	\$ 3,051	\$ 3,051	\$ 3,051	\$ 3,051	\$ 3,051	\$ 3,051	\$ 3,051	\$ 3,051	\$ 3,051	\$ 3,051	\$ 3,051	\$ 36,612
General Administrative Expenses	2.00%																
Insurance (Note 4)		\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 30,600
Miscellaneous Expenses Reserve (Note 5)		\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 30,600
Subtotal		\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 30,600
Professional Services	2.00%																
Legal Services																	\$ 400,000
External Auditor (Note 5)																	\$ 50,000
Professional Services / Contingency (non-EDA provided - Note 5)																	\$ 300,000
Insurance / Risk Advisor (Note 6)																	\$ 30,600
Subtotal																	\$ 780,600
Total Expenses																	\$ 997,812

- Notes:
- (1) Estimate for Civic Center room including staff and equipment
 - (2) \$55/day Per Diem (non Public Sector Board Members - 4)
 - (3) Assume \$75/meeting average cost - 8 board members
 - (4) Insurance Cost: Estimate
 - (5) Allowance and/or estimate based on other similar organizations
 - (6) Est. Current cost



ROCHESTER INTERNATIONAL AIRPORT

DMCC Board Meeting

August 27, 2015



Rochester Airport History

Airport History

- **1903** – Wright Brothers achieved first airplane flight.
- **1928** – Mayo Brothers realized airplanes would replace trains as the most common method of transportation to Rochester for patients. Rochester Airport Company founded as subsidiary of Mayo Clinic to own and operate the Airport.
- **1929** – “Rochester Airport” opened, located in SE Rochester just east of the County fairgrounds.
- **1945** – Mayo deeded the land and buildings to the City of Rochester in order for the Airport to receive Federal funds. Rochester Airport Company continued to operate the Airport.



Airport History (Cont'd)

- **1961** – Dedication of the new Rochester Airport at its current location.
- **1995** – U.S. Customs opened, allowing the airport to accept international flights and the name of the airport was changed to “Rochester International Airport”.

Rochester Airport Company, a wholly-owned subsidiary of Mayo Clinic, continues to operate the airport under an agreement with the City of Rochester to this day.





RST – Today

RST Strategic Plan

The Vision

- Rochester International Airport is the comprehensive, multimodal transportation choice for southeastern MN, and the border regions of WI and IA

RST Core Values

- Customer FiRST
- Agility & Accountability
- Responsive
- Empowered
- Safety & Security

RST | CARES

RST by the Numbers

- Operating budget \$3.4 million
- 18 FTE
- 2,300 acres
- 8 Daily Commercial Flights
- 2014 - 237,548 passengers
 - Up 6% from 2013
- 2014 - 25 million lbs. cargo
 - Up 25% from 2013
- Economic Impact
 - 2,911 jobs
 - \$73.3 million in annual payroll
 - \$101.5 million annual output



Current Commercial Air Service

- Nonstop Atlanta Service began Sept 2014
 - Load Factors: June 89% July 83%
 - Yield continues to strengthen
- 13% of commercial passengers are International - results in High Yield for Air Carriers
- RST ranked #20 in world on Fared Average Fare for International Passengers

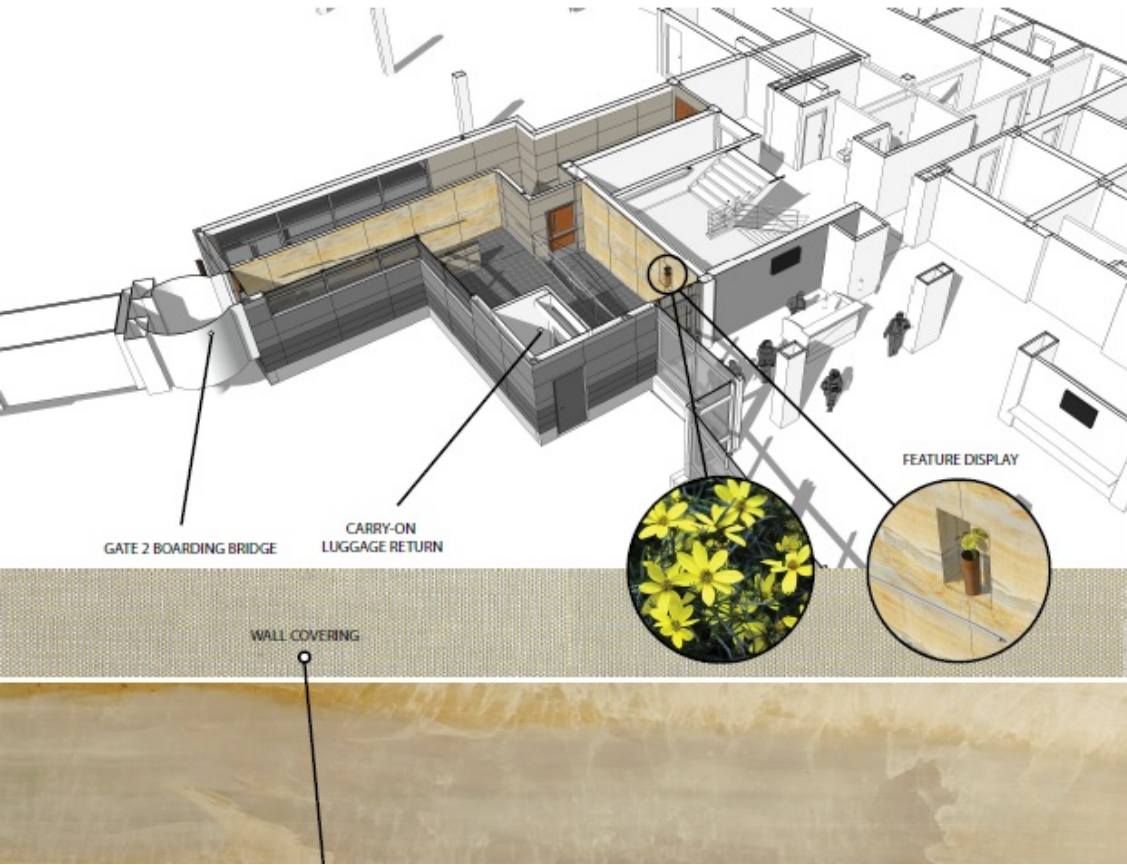




Airport Projects

Current and Upcoming

Jet Bridge Project – 2015 \$3 Million Total



US Customs Update / Main Terminal Modification – Fall 2016

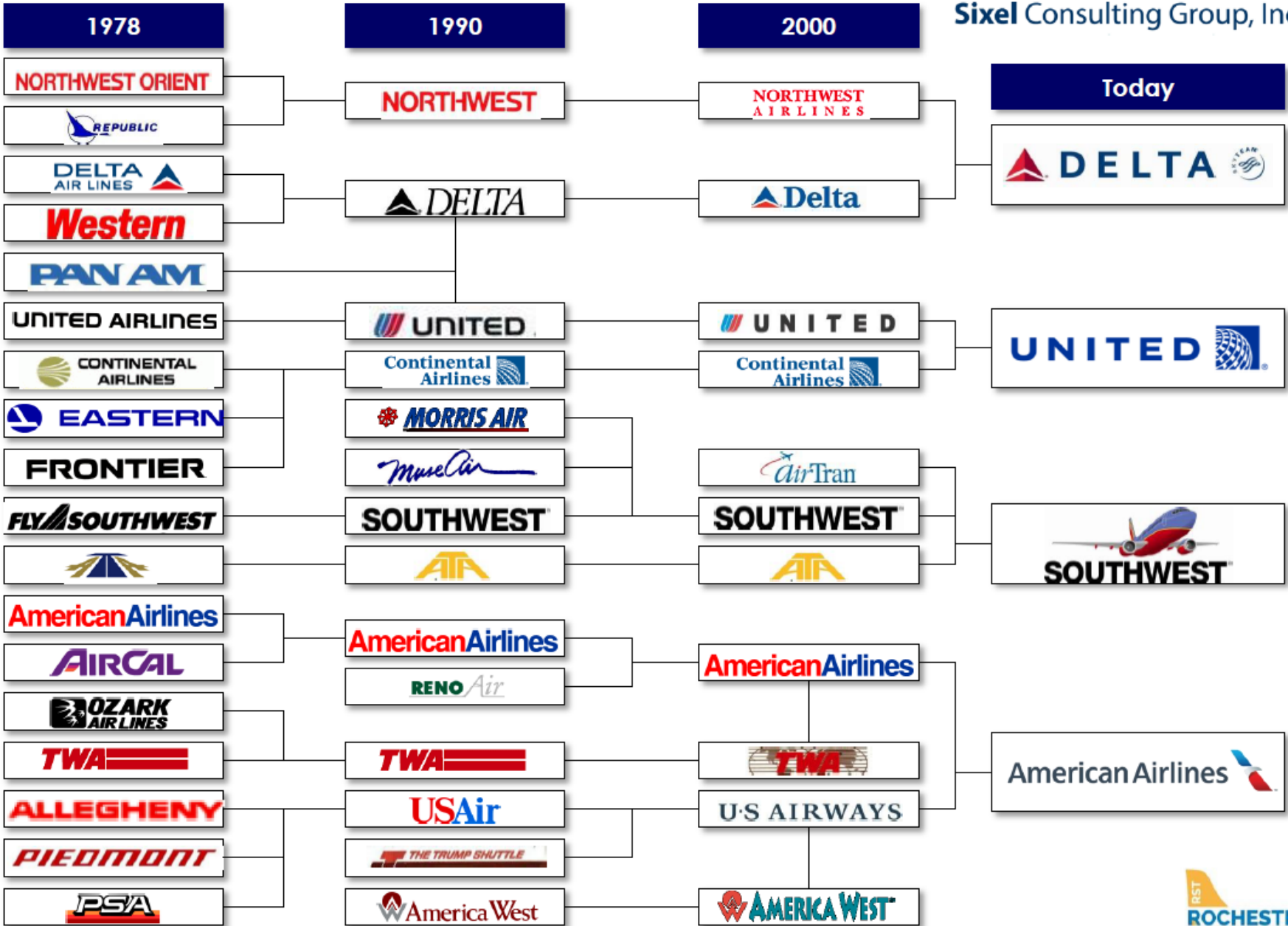
- US Customs facility moves from current location at Signature Flight Support into upper-level gate area in Main Terminal.
- Allows for Jet Bridge access to building for large international aircraft.
- Project necessary to





Air Service Recruitment

Importance of Choosing to Fly Local



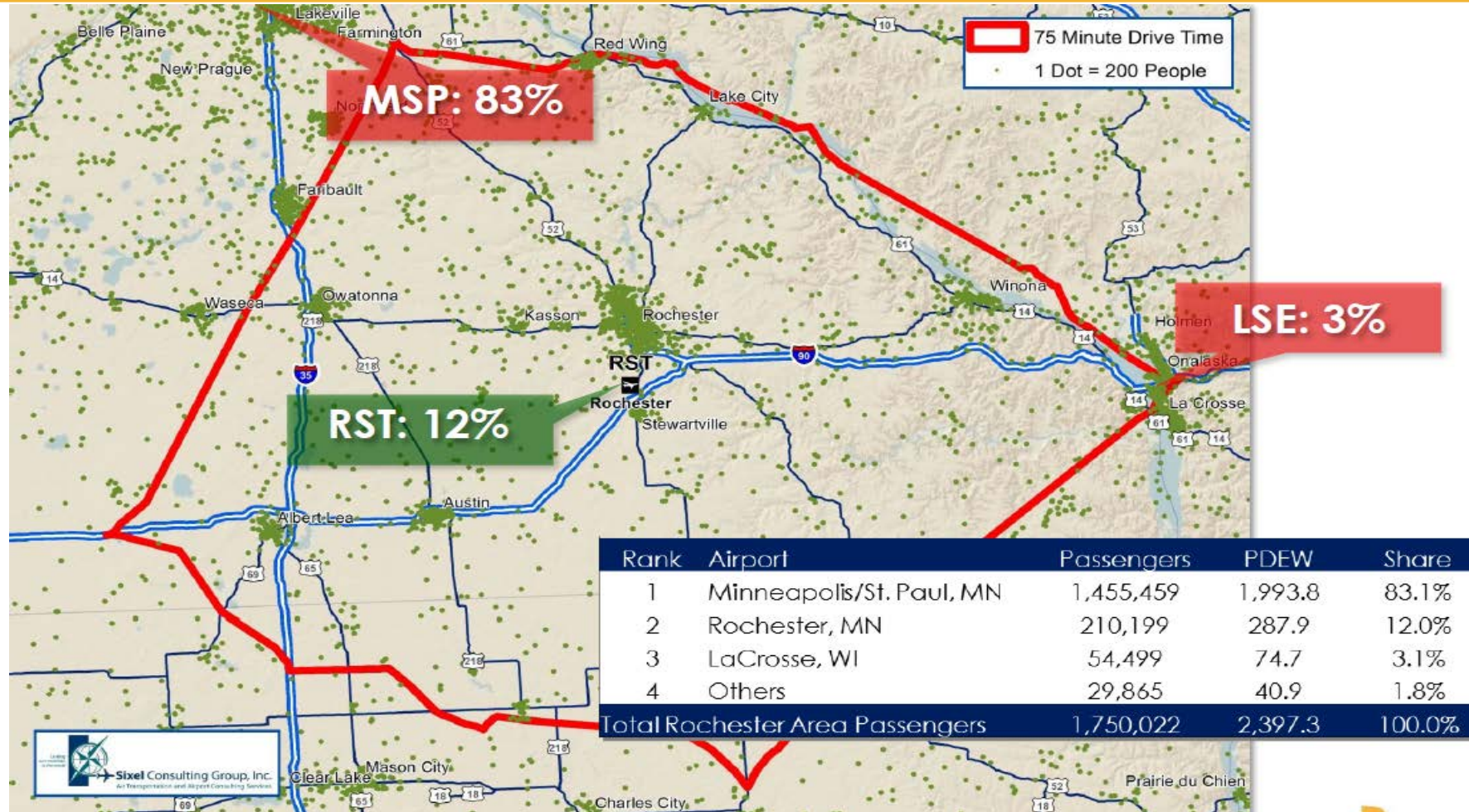
Access to Large Hubs more imperative than ever



How Do We Grow?

- Fewer Airlines = Stability for Airlines, less options for communities
- Competition for Air Service between communities is intense
- Future is in larger aircraft
- International demand is VITAL for network carriers
- Regions MUST collaborate and focus efforts to maintain and grow service
- Air Service retention and recruitment is COMMUNITY DRIVEN
- Support of current service is essential for growth
- Business commitment to use Air Service is paramount

Massive Growth Potential



FLY LOCAL SUPPORTER

Thank you to our Fly Local Supporters!

Centerstone Plaza Hotel

City of Rochester

Clements Chevrolet Cadillac

Grafe Auction

Grand Rounds Brew Pub

Kahler Hospitality Group

Post-Bulletin Co.

Powers Ventures

Rochester Amateur Sports Commission

Rochester Area Chamber of Commerce

Rochester Area Economic Development,
Inc.

Rochester Convention & Visitors Bureau

Rochester Downtown Alliance

Smith Schafer & Associates

Titan Development

Twigs Tavern & Grille

The commitment to Fly Local brings...

- **New Major Hub connections**
- **Increased frequency of current routes**
- **Larger aircraft with more cabin options/amenities**
- **Easier access to our region for inbound travelers**

Positive Impact on Economic Development of entire region!

Thank You



RST

ROCHESTER
INTERNATIONAL AIRPORT | MN

[FLYRST.COM](https://www.flyrst.com)



**Monthly Report for
Destination Medical Center Initiative**

Hammes Company

TABLE OF CONTENTS

- 1.0 Executive Summary
- 2.0 Master Project Budget
- 3.0 Budget Allocation Report
- 4.0 Cost Report
- 5.0 Contract Summary Report
- 6.0 Master Application for Payment
- 7.0 2014 Budget
- 8.0 Other Information



JULY 2015

Hammes Company

Major Accomplishments / Last 30 Days

The following provides an outline of the tasks completed in the last 30 days.

- Completed the draft project application form and the approval process with the City.
- The DMC EDA began implementation of the website redesign.
- The DMC EDA hired staff to fill posted DMC EDA staff positions.
- There were 102 media stories this month on the DMC



Major Tasks / Next 60 Days

The following provides an outline of the anticipated tasks to be completed in the next 60 days.

- The DMC EDA will complete the website redesign.
- All DMC EDA staff will be in place in September 2015.
- The DMC EDA will support the City/County on transportation planning issues and engagement of a consultant.
- The DMC EDA will be gathering and preparing resource materials to develop a packet that will be available to the various development interests.
- The DMC EDA will continue to work with the City to develop the Evaluation Report for DMC project funding.
- The DMC EDA will continue to focus communications on elevating awareness through outreach across the state and nationally building support for the DMC



Monthly Progress Report

JULY, 2015

This report provides a summary of the activities undertaken by the Destination Medical Center Economic Development Agency (DMC EDA) for the period stated above.

2015 WORK PLAN IMPLEMENTATION

DEVELOPMENT

- The DMC EDA is building the tools and processes that are necessary to successfully transition into the implementation phase of the DMC initiative.
- The DMC EDA is coordinating with the City to track DMC Development District potential project activity and updates.
- Reviewed and refined the DMC EDA's Workplan for 2016, which is focused on DMC Corporation Board-identified priorities: Heart of the City, Discovery Square and Transportation initiatives.

FINANCE

- The DMC EDA has received its 501(c)(3) tax-exempt status and will be proceeding with related IRS tax returns.
- The DMC EDA is well positioned to move forward with financial and accounting functions for 2015.
- The DMC EDA is working to finalize the workplan and budget for 2016.
- The completion and closeout of the DMC EDA Development Plan budget is ongoing, with the last of the remaining invoices being processed. The reports are included in this July Monthly Report.

BUSINESS / ECONOMIC DEVELOPMENT

- The DMC EDA is conducting market research of the best practices of comparable economic development agencies in the U.S., and related information will be shared with the DMC Corporation Board.
- Strategic planning is underway for business development and marketing outreach efforts; the DMC EDA contemplates a more fulsome effort to evolve the DMC brand identity and create marketing/collateral materials highlighting Heart of City and Discovery Square.
- Work Groups are continuing to participate in meetings to coordinate and advance the DMC Mission, Vision and Objectives set forth in the Development Plan. Specifically, the DMC EDA has completed a flow chart of the process for DMC funding for private interests, in which the DMC EDA and City will work cooperatively to meet the needs of private development interests and create a seamless process for DMC funding and City land use/ permitting processes.
- The DMC EDA has prepared a template of its project recommendation and full evaluation report form for private development projects.
- The DMC EDA is working to finalize a packet of resources and materials that will be available to private development interests to explain the DMC Vision and DMC funding program.

EDA OPERATIONS

- The DMC EDA has added a new Director of Finance staff position.
- The Director of Economic Development and Community Relations Director positions will be finalized soon.
- The DMC EDA made progress on operational processes and procedures.
- The DMC EDA will be moving into its permanent offices in the fall of 2015.

COMMUNICATIONS AND PUBLIC RELATIONS

- For July, Communications focused on supporting DMC EDA/DMCC's transition from the planning to implementation phase, along with finalizing the regional outreach to businesses and outstate communities, and continued media strategy.
- Media results - 102 media stories in the last month.
 - Topics included: Diversity goals, legislative activity, development, the arts, and Discovery Square.
- Social Media Results
 - Weekly Facebook Total Post Reach: 4,805
 - Twitter Followers: 2,252; Impressions: 66,400

COMMUNITY ENGAGEMENT

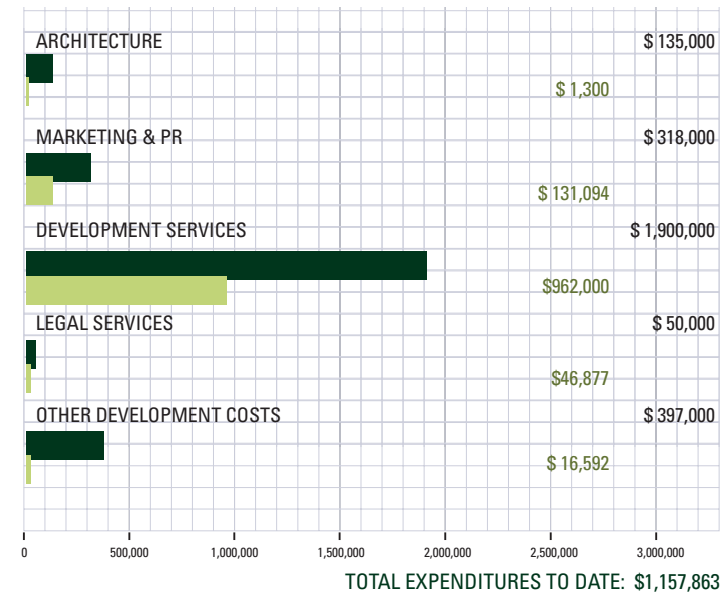
- The DMC EDA continues to coordinate meetings to continue to stay informed and maintain relationships: community leaders, Community Engagement Committee, Social Service coalition, Rochester Arts and Culture Collaborative
- The DMC EDA, and DMC speakers bureau conducted 20 outreach presentations with DMC ambassadors, brown bag lunches, etc., to inform and set expectations of "what is next" for DMC.
- DMC EDA attend/partner with local and regional initiatives e.g. Southern MN Initiatives Foundation, J2G (Journey to Growth), Hospitality First.

JULY 31, 2015

MASTER PROJECT BUDGET

SOURCES OF FUNDS:	Current Application
City Contribution	\$2,800,000
TOTAL SOURCES	\$2,800,000
USES OF FUNDS:	Current Application
Architecture	\$1,300
Marketing & PR	\$131,094
Development Services	\$962,000
Legal Services	\$46,877
Other Development Costs	\$16,591
TOTAL WORK IN PLACE	\$1,157,863
BALANCE TO COMPLETE	\$1,642,137
COMMITTED COSTS	\$2,348,176
UNCOMMITTED COSTS	\$451,824
TOTAL USES OF FUNDS	\$2,800,000

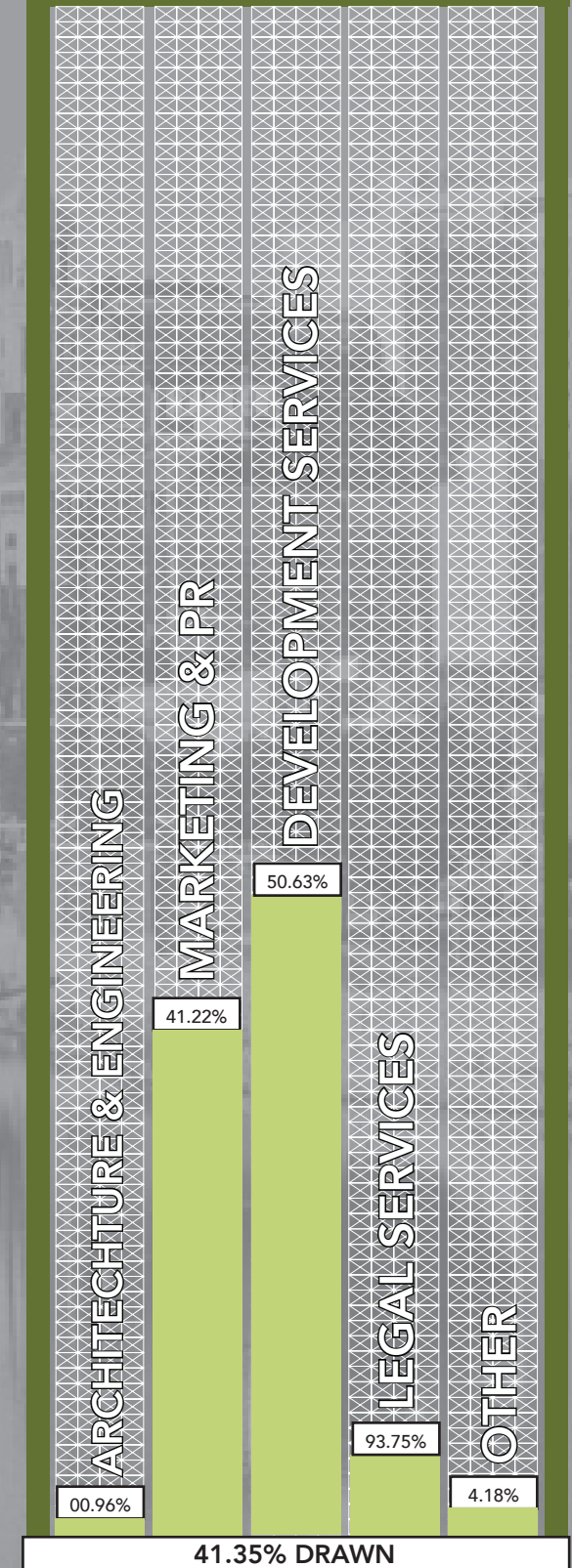
* This summary represents the approximately \$2.8 M portion of the budget and/or expenses that are managed and reported by the EDA. The balance of funding is DMCC and City of Rochester funding and managed outside of the EDA budget.



■ COMMITTED COSTS
■ ACTUAL EXPENDITURES TO DATE

CUMULATIVE DRAW TO DATE

MASTER BUDGET: \$2,800,000.00



2.0 MASTER PROJECT BUDGET

The following Master Project Budget is included herein as Section 2.0.

SOURCES AND USES REPORT #2 **July 31, 2015**

SOURCES OF FUNDS		
00-30-005	City Contribution	\$ 2,800,000.00
TOTAL SOURCES OF FUNDS		\$ 2,800,000.00

USES OF FUNDS		
40-00-000	Development Costs	\$ 2,800,000.00
90-00-000	Project Contingency	\$ -
TOTAL USES OF FUNDS		\$ 2,800,000.00

MASTER PROJECT BUDGET #2 **July 31, 2015**

Division	Description	Final Projected Cost	Notes
DEVELOPMENT COSTS			
40-05-000	Architecture & Engineering	\$135,000.00	
40-25-000	Marketing & Public Relations	\$318,000.00	
40-30-000	Development Services	\$1,900,000.00	
40-35-000	Legal Services	\$50,000.00	
40-90-000	Other Development Costs	\$397,000.00	
	Subtotal	\$2,800,000.00	
PROJECT CONTINGENCY			
90-00-000	Project Contingency	\$0.00	
	Subtotal	\$0.00	
	PROJECT TOTAL	\$2,800,000.00	

DETAIL MASTER PROJECT BUDGET #2 July 31, 2015

Division	Description	Final Projected Cost - Detail	Final Projected Cost	Notes
DEVELOPMENT COSTS				
40-05-000	Architecture & Engineering		\$135,000.00	
40-05-300	Planning Services, Architecture, Engineering	\$135,000.00		
40-25-000	Marketing & Public Relations		\$318,000.00	
40-25-300	Communications, Marketing & PR	\$108,000.00		
40-25-310	Public Relations & Communications	\$210,000.00		
40-30-000	Development Services		\$1,900,000.00	
40-30-300	Development Services	\$1,860,000.00		
40-30-310	Financial, Accounting & Investment Services	\$40,000.00		
40-35-000	Legal Services		\$50,000.00	
40-35-300	Legal Services	\$50,000.00		
40-90-000	Other Development Costs		\$397,000.00	
40-90-115	Payroll, Staff, Administration & Benefits-EDA	\$218,000.00		
40-90-120	General Expenses-EDA	\$79,000.00		
40-90-300	Reimbursable Expenses	\$100,000.00		
	Subtotal		\$2,800,000.00	
PROJECT CONTINGENCY				
90-00-000	Project Contingency		\$0.00	
	Subtotal		\$0.00	
	PROJECT TOTAL		\$2,800,000.00	

3.0 BUDGET ALLOCATION REPORT

The following Budget Allocation Report is included herein as Section 3.0.

BUDGET ALLOCATION REPORT #2

July 31, 2015

Revision No	Revision Date	Division	Division Description	Revision Description	Revision Amount	Revision To	Revision Method	Requested By	Entered By

Final Projected Cost	
BEGINNING CONTINGENCY BALANCE	\$0.00
ENDING CONTINGENCY BALANCE	\$0.00

4.0 COST REPORT

The following Cost Report is included herein as Section 4.0.

COST REPORT #2

July 31, 2015

Division	Description	Schedule of Values							Variance	Work in Place	
		Master Project Budget A	Original Contract Amount B	Contract Revisions C	Committed Costs B+C	Committed Direct Owner Purchases D	Un-Committed Costs E	Final Projected Cost B+C+D+E	Over/(Under) Budget (B+C+D+E)-A	Total Work In Place	Percent Complete
	DEVELOPMENT COSTS										
40-05-000	Architecture & Engineering	\$135,000.00	\$13,390.47	\$0.00	\$13,390.47	\$0.00	\$121,609.53	\$135,000.00	\$0.00	\$1,299.57	0.96%
40-25-000	Marketing & Public Relations	\$318,000.00	\$386,516.20	\$0.00	\$386,516.20	\$0.00	(\$68,516.20)	\$318,000.00	\$0.00	\$131,093.70	41.22%
40-30-000	Development Services	\$1,900,000.00	\$1,862,000.00	\$0.00	\$1,862,000.00	\$0.00	\$38,000.00	\$1,900,000.00	\$0.00	\$962,000.00	50.63%
40-35-000	Legal Services	\$50,000.00	\$46,329.33	\$548.00	\$46,877.33	\$0.00	\$3,122.67	\$50,000.00	\$0.00	\$46,877.33	93.75%
40-90-000	Other Development Costs	\$397,000.00	\$39,166.97	\$225.00	\$39,391.97	\$0.00	\$357,608.03	\$397,000.00	\$0.00	\$16,591.97	4.18%
	Subtotal	\$2,800,000.00	\$2,347,402.97	\$773.00	\$2,348,175.97	\$0.00	\$451,824.03	\$2,800,000.00	\$0.00	\$1,157,862.57	41.35%
	PROJECT CONTINGENCY										
90-00-000	Project Contingency	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	Subtotal	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	PROJECT TOTAL	\$2,800,000.00	\$2,347,402.97	\$773.00	\$2,348,175.97	\$0.00	\$451,824.03	\$2,800,000.00	\$0.00	\$1,157,862.57	41.35%

DETAIL COST REPORT #2

July 31, 2015

Division	Description	Schedule of Values							Variance	Work in Place	
		Master Project Budget A	Original Contract Amount B	Contract Revisions C	Committed Costs B+C	Committed Direct Owner Purchases D	Un-Committed Costs E	Final Projected Cost B+C+D+E	Over/(Under) Budget (B+C+D+E)-A	Total Work In Place	Percent Complete
DEVELOPMENT COSTS											
40-05-000	Architecture & Engineering	\$135,000.00	\$13,390.47	\$0.00	\$13,390.47	\$0.00	\$121,609.53	\$135,000.00	\$0.00	\$1,299.57	0.96%
40-05-300	Planning Services, Architecture, Engineering	\$135,000.00	\$13,390.47	\$0.00	\$13,390.47	\$0.00	\$121,609.53	\$135,000.00	\$0.00	\$1,299.57	0.96%
40-25-000	Marketing & Public Relations	\$318,000.00	\$386,516.20	\$0.00	\$386,516.20	\$0.00	(\$68,516.20)	\$318,000.00	\$0.00	\$131,093.70	41.22%
40-25-300	Communications, Marketing & PR	\$108,000.00	\$273,225.00	\$0.00	\$273,225.00	\$0.00	(\$165,225.00)	\$108,000.00	\$0.00	\$116,012.50	107.42%
40-25-310	Public Relations & Communications	\$210,000.00	\$113,291.20	\$0.00	\$113,291.20	\$0.00	\$96,708.80	\$210,000.00	\$0.00	\$15,081.20	7.18%
40-30-000	Development Services	\$1,900,000.00	\$1,862,000.00	\$0.00	\$1,862,000.00	\$0.00	\$38,000.00	\$1,900,000.00	\$0.00	\$962,000.00	50.63%
40-30-300	Development Services	\$1,860,000.00	\$1,860,000.00	\$0.00	\$1,860,000.00	\$0.00	\$0.00	\$1,860,000.00	\$0.00	\$960,000.00	51.61%
40-30-310	Financial, Accounting & Investment Services	\$40,000.00	\$2,000.00	\$0.00	\$2,000.00	\$0.00	\$38,000.00	\$40,000.00	\$0.00	\$2,000.00	5.00%
40-35-000	Legal Services	\$50,000.00	\$46,329.33	\$548.00	\$46,877.33	\$0.00	\$3,122.67	\$50,000.00	\$0.00	\$46,877.33	93.75%
40-35-300	Legal Services	\$50,000.00	\$46,329.33	\$548.00	\$46,877.33	\$0.00	\$3,122.67	\$50,000.00	\$0.00	\$46,877.33	93.75%
40-90-000	Other Development Costs	\$397,000.00	\$39,166.97	\$225.00	\$39,391.97	\$0.00	\$357,608.03	\$397,000.00	\$0.00	\$16,591.97	4.18%
40-90-115	Payroll, Staff, Administration & Benefits-EDA	\$218,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$218,000.00	\$218,000.00	\$0.00	\$0.00	0.00%
40-90-120	General Expenses-EDA	\$79,000.00	\$1,166.97	\$225.00	\$1,391.97	\$0.00	\$77,608.03	\$79,000.00	\$0.00	\$1,391.97	1.76%
40-90-300	Reimbursable Expenses	\$100,000.00	\$38,000.00	\$0.00	\$38,000.00	\$0.00	\$62,000.00	\$100,000.00	\$0.00	\$15,200.00	15.20%
	Subtotal	\$2,800,000.00	\$2,347,402.97	\$773.00	\$2,348,175.97	\$0.00	\$451,824.03	\$2,800,000.00	\$0.00	\$1,157,862.57	41.35%
PROJECT CONTINGENCY											
90-00-000	Project Contingency	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	Subtotal	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	PROJECT TOTAL	\$2,800,000.00	\$2,347,402.97	\$773.00	\$2,348,175.97	\$0.00	\$451,824.03	\$2,800,000.00	\$0.00	\$1,157,862.57	41.35%

5.0 CONTRACT SUMMARY REPORT

The following Contract Summary Report is included herein as Section 5.0.

CONTRACT SUMMARY REPORT #2

July 31, 2015

Division	Description	Status		Vendor Name	Contract Number	Original Contract Amount	Contract Revisions	Committed Costs	Direct Owner Purchases	Work in Place	Percent Complete
		Contract									
DEVELOPMENT COSTS											
40-05-000	Architecture & Engineering					\$13,390.47	\$0.00	\$13,390.47	\$0.00	\$1,299.57	9.71%
40-05-300	Planning Services, Architecture, Engineering	X		CARROLL, FRANCK & ASSOCIATES	4020	\$13,390.47	\$0.00	\$13,390.47	\$0.00	\$1,299.57	9.71%
40-25-000	Marketing & Public Relations					\$386,516.20	\$0.00	\$386,516.20	\$0.00	\$131,093.70	33.92%
40-25-300	Communications, Marketing & PR	X		HIMLE RAPP & CO., INC.	4017	\$255,000.00	\$0.00	\$255,000.00	\$0.00	\$115,000.00	45.10%
40-25-300	Communications, Marketing & PR	X		GINA MARIA CHIRI-OSMOND	4027	\$18,225.00	\$0.00	\$18,225.00	\$0.00	\$1,012.50	5.56%
40-25-310	Public Relations & Communications	X		BRANDHOOT	4016	\$41,051.20	\$0.00	\$41,051.20	\$0.00	\$7,171.20	17.47%
40-25-310	Public Relations & Communications	X		SAM SMITH	4030	\$72,240.00	\$0.00	\$72,240.00	\$0.00	\$7,910.00	10.95%
40-30-000	Development Services					\$1,862,000.00	\$0.00	\$1,862,000.00	\$0.00	\$962,000.00	51.66%
40-30-300	Development Services	X		HAMMES COMPANY SPORTS DEVEL.	DMA	\$1,860,000.00	\$0.00	\$1,860,000.00	\$0.00	\$960,000.00	51.61%
40-30-310	Financial, Accounting & Investment Services	X		CLIFTONLARSONALLEN LLP	4041	\$2,000.00	\$0.00	\$2,000.00	\$0.00	\$2,000.00	100.00%
40-35-000	Legal Services					\$46,329.33	\$548.00	\$46,877.33	\$0.00	\$46,877.33	100.00%
40-35-300	Legal Services	X		DORSEY & WHITNEY LLP	4015	\$43,049.83	\$0.00	\$43,049.83	\$0.00	\$43,049.83	100.00%
40-35-300	Legal Services	X		MICHAEL BEST & FRIEDRICH LLP	4021	\$3,279.50	\$548.00	\$3,827.50	\$0.00	\$3,827.50	100.00%
40-90-000	Other Development Costs					\$39,166.97	\$225.00	\$39,391.97	\$0.00	\$16,591.97	42.12%
40-90-120	General Expenses-EDA	X		CWS, INC.	4033	\$900.00	\$225.00	\$1,125.00	\$0.00	\$1,125.00	100.00%
40-90-120	General Expenses-EDA	X		DELUXE BUSINESS PRODUCTS	4042	\$266.97	\$0.00	\$266.97	\$0.00	\$266.97	100.00%
40-90-300	Reimbursable Expenses	X		HAMMES COMPANY SPORTS DEVEL.	DMA	\$38,000.00	\$0.00	\$38,000.00	\$0.00	\$15,200.00	40.00%
	Subtotal					\$2,347,402.97	\$773.00	\$2,348,175.97	\$0.00	\$1,157,862.57	49.31%
PROJECT CONTINGENCY											
90-00-000	Project Contingency					\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	Subtotal					\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	PROJECT TOTAL					\$2,347,402.97	\$773.00	\$2,348,175.97	\$0.00	\$1,157,862.57	49.31%

6.0 MASTER APPLICATION FOR PAYMENT

The following Master Application for Payment is included herein as Section 6.0.

MASTER APPLICATION FOR PAYMENT

MASTER APPLICATION FOR PAYMENT (Form 4020)

From: HAMMES COMPANY To: DMC Economic Development Authority 200 First Street SW Rochester, MN 55905 Attention: Executive Director	Application No.: 2 Application Date: July 1, 2015 Hammes Project No: 40050-06 Period From: June 1, 2015 Period To: June 30, 2015 Project Name: DMC Economic Development Agency (2015)	Please Remit To: Acct Name: Acct No: Bank: Notify:
---	---	---

PROJECT MANAGER:

Submitted in accordance with the Contract Documents for approval by the EDA.

Signed By: _____
 Hammes Company Sports Development, Inc.
 Date: July 1, 2015
 Name: Robert P. Dunn

STATEMENT OF PROJECT:

ORIGINAL MASTER PROJECT BUDGET	\$ 2,800,000.00
CURRENT MASTER PROJECT BUDGET	\$ 2,800,000.00
<hr/>	
TOTAL COMPLETED & STORED TO DATE	\$ 1,157,862.57
RETAINAGE TO DATE	\$ -
TOTAL COMPLETED LESS RETAINAGE	\$ 1,157,862.57
LESS PREVIOUS REQUESTS	\$ 861,165.98
CURRENT AMOUNT DUE (A + B)	<u>\$ 296,696.59</u>
<hr/>	
CURRENT PAYMENTS DUE (A)	\$ 296,696.59
DIRECT OWNER PURCHASES DUE (B)	\$ -

SOURCES OF FUNDS:	Current Application
City Contribution	\$ 296,696.59
<hr/>	
CURRENT SOURCES OF FUNDS	\$ 296,696.59
<hr/>	
USES OF FUNDS:	Current Application
40 - Development Costs	\$ 296,696.59
50 - Financing Costs	\$ -
60 - Other Project Costs	\$ -
90 - Project Contingency	\$ -
<hr/>	
CURRENT USES OF FUNDS	\$ 296,696.59

APPROVALS:

 EDA: _____ Date _____

 DMCC: _____ Date _____

DETAIL SOURCES AND USES REPORT #2

July 1, 2015

Division	Description	Final Projected Cost	Previous Billings	Current Billing	Total Billed To Date	Balance to Complete
SOURCES OF FUNDS						
00-30-005	City Contribution	\$2,800,000.00	\$861,165.98	\$296,696.59	\$1,157,862.57	\$1,642,137.43
	Total Sources of Funds	\$2,800,000.00	\$861,165.98	\$296,696.59	\$1,157,862.57	\$1,642,137.43
USES OF FUNDS						
40-00-000	Development Costs	\$2,800,000.00	\$861,165.98	\$296,696.59	\$1,157,862.57	\$1,642,137.43
90-00-000	Project Contingency	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Total Uses of Funds	\$2,800,000.00	\$861,165.98	\$296,696.59	\$1,157,862.57	\$1,642,137.43

DESTINATION MEDICAL CENTER
ECONOMIC DEVELOPMENT AUTHORITY (2015)

MASTER APPLICATION FOR PAYMENT DETAIL #2

July 1, 2015

Division	Description	Vendor	Contract No	Work Completed To Date					Retainage		
				Previous Billing	Current Work In Place	Direct Owner Purchase	Total Work to Date	Percent Complete	Previous Retainage	Current Retainage	Total Retainage
	DEVELOPMENT COSTS										
40-05-000	Architecture & Engineering			\$1,299.57	\$0.00	\$0.00	\$1,299.57	9.71%	\$0.00	\$0.00	\$0.00
40-05-300	Planning Services, Architecture, Engineering	CARROLL, FRANCK & ASSOCIATES	4020	\$1,299.57	\$0.00	\$0.00	\$1,299.57	9.71%	\$0.00	\$0.00	\$0.00
40-25-000	Marketing & Public Relations			\$102,019.94	\$29,073.76	\$0.00	\$131,093.70	33.92%	\$0.00	\$0.00	\$0.00
40-25-300	Communications, Marketing & PR	HIMLE RAPP & CO., INC.	4017	\$90,000.00	\$25,000.00	\$0.00	\$115,000.00	45.10%	\$0.00	\$0.00	\$0.00
40-25-300	Communications, Marketing & PR	GINA MARIA CHIRI-OSMOND	4027	\$1,012.50	\$0.00	\$0.00	\$1,012.50	5.56%	\$0.00	\$0.00	\$0.00
40-25-310	Public Relations & Communications	BRANDHOOT	4016	\$3,097.44	\$4,073.76	\$0.00	\$7,171.20	17.47%	\$0.00	\$0.00	\$0.00
40-25-310	Public Relations & Communications	SAM SMITH	4030	\$7,910.00	\$0.00	\$0.00	\$7,910.00	10.95%	\$0.00	\$0.00	\$0.00
40-30-000	Development Services			\$742,000.00	\$220,000.00	\$0.00	\$962,000.00	51.66%	\$0.00	\$0.00	\$0.00
40-30-300	Development Services	HAMMES COMPANY SPORTS DEVEL.	DMA	\$740,000.00	\$220,000.00	\$0.00	\$960,000.00	51.61%	\$0.00	\$0.00	\$0.00
40-30-310	Financial, Accounting & Investment Services	CLIFTONLARSONALLEN LLP	4041	\$2,000.00	\$0.00	\$0.00	\$2,000.00	100.00%	\$0.00	\$0.00	\$0.00
40-35-000	Legal Services			\$3,279.50	\$43,597.83	\$0.00	\$46,877.33	100.00%	\$0.00	\$0.00	\$0.00
40-35-300	Legal Services	DORSEY & WHITNEY LLP	4015	\$0.00	\$43,049.83	\$0.00	\$43,049.83	100.00%	\$0.00	\$0.00	\$0.00
40-35-300	Legal Services	MICHAEL BEST & FRIEDRICH LLP	4021	\$3,279.50	\$548.00	\$0.00	\$3,827.50	100.00%	\$0.00	\$0.00	\$0.00
40-90-000	Other Development Costs			\$12,566.97	\$4,025.00	\$0.00	\$16,591.97	42.12%	\$0.00	\$0.00	\$0.00
40-90-120	General Expenses-EDA	CWS, INC.	4033	\$900.00	\$225.00	\$0.00	\$1,125.00	100.00%	\$0.00	\$0.00	\$0.00
40-90-120	General Expenses-EDA	DELUXE BUSINESS PRODUCTS	4042	\$266.97	\$0.00	\$0.00	\$266.97	100.00%	\$0.00	\$0.00	\$0.00
40-90-300	Reimbursable Expenses	HAMMES COMPANY SPORTS DEVEL.	DMA	\$11,400.00	\$3,800.00	\$0.00	\$15,200.00	40.00%	\$0.00	\$0.00	\$0.00
	Subtotal			\$861,165.98	\$296,696.59	\$0.00	\$1,157,862.57	49.31%	\$0.00	\$0.00	\$0.00
	PROJECT CONTINGENCY										
90-00-000	Project Contingency			\$0.00	\$0.00	\$0.00	\$0.00	0.00%	\$0.00	\$0.00	\$0.00
	Subtotal			\$0.00	\$0.00	\$0.00	\$0.00	0.00%	\$0.00	\$0.00	\$0.00
	PROJECT TOTAL			\$861,165.98	\$296,696.59	\$0.00	\$1,157,862.57		\$0.00	\$0.00	\$0.00

	Current Work In Place	Direct Owner Purchase	Total Current Work
Current Work In Place	\$296,696.59	\$0.00	\$296,696.59
Less Current Retainage Held	\$0.00	\$0.00	\$0.00
Net Amount Due	\$296,696.59	\$0.00	\$296,696.59

**DESTINATION MEDICAL CENTER
ECONOMIC DEVELOPMENT AUTHORITY (2015)**

INVOICE SUMMARY REPORT #2 **July 1, 2015**

Vendor Name	Description	Invoice No	Invoice Date	Invoice Amount	Retainage Held	Amount Due	Approval
BRANDHOOT	Public Relations and Communications	1328	7/1/2015	\$4,073.76	\$0.00	\$4,073.76	
CWS, INC.	Hosting Services	CW-78282	7/6/2015	\$225.00	\$0.00	\$225.00	
DORSEY & WHITNEY LLP	Legal Services	3206851	6/5/2015	\$43,049.83	\$0.00	\$43,049.83	
HAMMES COMPANY SPORTS DEVEL.	Development Manager Agreement	5005-016	7/1/2015	\$223,800.00	\$0.00	\$223,800.00	
HIMLE RAPP & CO., INC.	Consulting Services-Strategy	0615	7/7/2015	\$25,000.00	\$0.00	\$25,000.00	
MICHAEL BEST & FRIEDRICH LLP	Legal Services	1350896	6/17/2015	\$548.00	\$0.00	\$548.00	
GRAND TOTAL				\$296,696.59	\$0.00	\$296,696.59	

7.0 2014 BUDGET

The following are the Master Application for Payment #15 reports for the 2014 Budget.

SOURCES AND USES REPORT #15 **July 31, 2015**

SOURCES OF FUNDS		
00-30-005	City Contribution	\$ 7,319,000.00
TOTAL SOURCES OF FUNDS		\$ 7,319,000.00

USES OF FUNDS		
40-00-000	Development Costs	\$ 7,319,000.00
90-00-000	Project Contingency	\$ -
TOTAL USES OF FUNDS		\$ 7,319,000.00

MASTER PROJECT BUDGET #15 **July 31, 2015**

Division	Description	Final Projected Cost	Notes
	DEVELOPMENT COSTS		
40-05-000	Architecture & Engineering	\$2,405,845.14	
40-25-000	Marketing & Public Relations	\$790,000.00	
40-30-000	Development Services	\$2,350,000.00	
40-35-000	Legal Services	\$451,849.65	
40-55-000	Misc Professional Services	\$376,310.80	
40-90-000	Other Development Costs	\$944,994.41	
	Subtotal	\$7,319,000.00	
	PROJECT CONTINGENCY		
90-00-000	Project Contingency	\$0.00	
	Subtotal	\$0.00	
	PROJECT TOTAL	\$7,319,000.00	

DETAIL MASTER PROJECT BUDGET #15 July 31, 2015

Division	Description	Final Projected Cost - Detail	Final Projected Cost	Notes
	DEVELOPMENT COSTS			
40-05-000	Architecture & Engineering		\$2,405,845.14	
40-05-300	Planning Services, Architecture, Engineering	\$2,405,845.14		
40-25-000	Marketing & Public Relations		\$790,000.00	
40-25-300	Communications, Marketing & PR	\$545,000.00		
40-25-310	Public Relations & Communications	\$245,000.00		
40-30-000	Development Services		\$2,350,000.00	
40-30-300	Development Services	\$1,675,000.00		
40-30-310	Financial, Accounting & Investment Services	\$675,000.00		
40-35-000	Legal Services		\$451,849.65	
40-35-300	Legal Services	\$451,849.65		
40-55-000	Misc Professional Services		\$376,310.80	
40-55-300	Economic Analysis, Market Research, Reports	\$359,106.35		
40-55-310	Other Professional Services & Project Costs	\$17,204.45		
40-90-000	Other Development Costs		\$944,994.41	
40-90-115	Payroll, Staff, Administration & Benefits-EDA	\$460,000.00		
40-90-120	General Expenses-EDA	\$355,150.35		
40-90-300	Reimbursable Expenses	\$129,844.06		
	Subtotal		\$7,319,000.00	
	PROJECT CONTINGENCY			
90-00-000	Project Contingency		\$0.00	
	Subtotal		\$0.00	

DETAIL MASTER PROJECT BUDGET #15 July 31, 2015

Division	Description	Final Projected Cost - Detail	Final Projected Cost	Notes
	PROJECT TOTAL		\$7,319,000.00	

BUDGET ALLOCATION REPORT #15

July 31, 2015

Revision No	Revision Date	Division	Division Description	Revision Description	Revision Amount	Revision To	Revision Method	Requested By	Entered By

Final Projected Cost	
BEGINNING CONTINGENCY BALANCE	\$0.00
ENDING CONTINGENCY BALANCE	\$0.00

COST REPORT #15

July 31, 2015

Division	Description	Schedule of Values							Variance	Work in Place	
		Master Project Budget A	Original Contract Amount B	Contract Revisions C	Committed Costs B+C	Committed Direct Owner Purchases D	Un-Committed Costs E	Final Projected Cost B+C+D+E	Over/(Under) Budget (B+C+D+E)-A	Total Work In Place	Percent Complete
	DEVELOPMENT COSTS										
40-05-000	Architecture & Engineering	\$2,431,000.00	\$1,545,921.60	\$94,900.87	\$1,640,822.47	\$0.00	\$765,022.67	\$2,405,845.14	(\$25,154.86)	\$1,625,727.69	67.57%
40-25-000	Marketing & Public Relations	\$790,000.00	\$247,563.05	\$160,036.72	\$407,599.77	\$0.00	\$382,400.23	\$790,000.00	\$0.00	\$407,428.03	51.57%
40-30-000	Development Services	\$2,350,000.00	\$2,300,000.00	\$0.00	\$2,300,000.00	\$0.00	\$50,000.00	\$2,350,000.00	\$0.00	\$2,300,000.00	97.87%
40-35-000	Legal Services	\$425,000.00	\$126,208.01	\$325,641.64	\$451,849.65	\$0.00	\$0.00	\$451,849.65	\$26,849.65	\$451,849.65	100.00%
40-55-000	Misc Professional Services	\$451,000.00	\$298,473.00	\$57,783.35	\$356,256.35	\$0.00	\$20,054.45	\$376,310.80	(\$74,689.20)	\$352,092.30	93.56%
40-90-000	Other Development Costs	\$872,000.00	\$182,504.02	\$162,034.61	\$344,538.63	\$0.00	\$600,455.78	\$944,994.41	\$72,994.41	\$344,538.63	36.46%
	Subtotal	\$7,319,000.00	\$4,700,669.68	\$800,397.19	\$5,501,066.87	\$0.00	\$1,817,933.13	\$7,319,000.00	\$0.00	\$5,481,636.30	74.90%
	PROJECT CONTINGENCY										
90-00-000	Project Contingency	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	Subtotal	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	PROJECT TOTAL	\$7,319,000.00	\$4,700,669.68	\$800,397.19	\$5,501,066.87	\$0.00	\$1,817,933.13	\$7,319,000.00	\$0.00	\$5,481,636.30	74.90%

DETAIL COST REPORT #15

July 31, 2015

Division	Description	Schedule of Values							Variance	Work in Place	
		Master Project Budget A	Original Contract Amount B	Contract Revisions C	Committed Costs B+C	Committed Direct Owner Purchases D	Un-Committed Costs E	Final Projected Cost B+C+D+E	Over/(Under) Budget (B+C+D+E)-A	Total Work In Place	Percent Complete
DEVELOPMENT COSTS											
40-05-000	Architecture & Engineering	\$2,431,000.00	\$1,545,921.60	\$94,900.87	\$1,640,822.47	\$0.00	\$765,022.67	\$2,405,845.14	(\$25,154.86)	\$1,625,727.69	67.57%
40-05-300	Planning Services, Architecture, Engineering	\$2,431,000.00	\$1,545,921.60	\$94,900.87	\$1,640,822.47	\$0.00	\$765,022.67	\$2,405,845.14	(\$25,154.86)	\$1,625,727.69	67.57%
40-25-000	Marketing & Public Relations	\$790,000.00	\$247,563.05	\$160,036.72	\$407,599.77	\$0.00	\$382,400.23	\$790,000.00	\$0.00	\$407,428.03	51.57%
40-25-300	Communications, Marketing & PR	\$545,000.00	\$183,137.76	\$135,326.90	\$318,464.66	\$0.00	\$226,535.34	\$545,000.00	\$0.00	\$318,463.16	58.43%
40-25-310	Public Relations & Communications	\$245,000.00	\$64,425.29	\$24,709.82	\$89,135.11	\$0.00	\$155,864.89	\$245,000.00	\$0.00	\$88,964.87	36.31%
40-30-000	Development Services	\$2,350,000.00	\$2,300,000.00	\$0.00	\$2,300,000.00	\$0.00	\$50,000.00	\$2,350,000.00	\$0.00	\$2,300,000.00	97.87%
40-30-300	Development Services	\$1,675,000.00	\$1,675,000.00	\$0.00	\$1,675,000.00	\$0.00	\$0.00	\$1,675,000.00	\$0.00	\$1,675,000.00	100.00%
40-30-310	Financial, Accounting & Investment Services	\$675,000.00	\$625,000.00	\$0.00	\$625,000.00	\$0.00	\$50,000.00	\$675,000.00	\$0.00	\$625,000.00	92.59%
40-35-000	Legal Services	\$425,000.00	\$126,208.01	\$325,641.64	\$451,849.65	\$0.00	\$0.00	\$451,849.65	\$26,849.65	\$451,849.65	100.00%
40-35-300	Legal Services	\$425,000.00	\$126,208.01	\$325,641.64	\$451,849.65	\$0.00	\$0.00	\$451,849.65	\$26,849.65	\$451,849.65	100.00%
40-55-000	Misc Professional Services	\$451,000.00	\$298,473.00	\$57,783.35	\$356,256.35	\$0.00	\$20,054.45	\$376,310.80	(\$74,689.20)	\$352,092.30	93.56%
40-55-300	Economic Analysis, Market Research, Reports	\$351,000.00	\$298,473.00	\$57,783.35	\$356,256.35	\$0.00	\$2,850.00	\$359,106.35	\$8,106.35	\$352,092.30	98.05%
40-55-310	Other Professional Services & Project Costs	\$100,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$17,204.45	\$17,204.45	(\$82,795.55)	\$0.00	0.00%
40-90-000	Other Development Costs	\$872,000.00	\$182,504.02	\$162,034.61	\$344,538.63	\$0.00	\$600,455.78	\$944,994.41	\$72,994.41	\$344,538.63	36.46%
40-90-115	Payroll, Staff, Administration & Benefits-EDA	\$460,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$460,000.00	\$460,000.00	\$0.00	\$0.00	0.00%
40-90-120	General Expenses-EDA	\$382,000.00	\$182,504.02	\$32,190.55	\$214,694.57	\$0.00	\$140,455.78	\$355,150.35	(\$26,849.65)	\$214,694.57	60.45%
40-90-300	Reimbursable Expenses	\$30,000.00	\$0.00	\$129,844.06	\$129,844.06	\$0.00	\$0.00	\$129,844.06	\$99,844.06	\$129,844.06	100.00%
	Subtotal	\$7,319,000.00	\$4,700,669.68	\$800,397.19	\$5,501,066.87	\$0.00	\$1,817,933.13	\$7,319,000.00	\$0.00	\$5,481,636.30	74.90%
PROJECT CONTINGENCY											
90-00-000	Project Contingency	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	Subtotal	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	PROJECT TOTAL	\$7,319,000.00	\$4,700,669.68	\$800,397.19	\$5,501,066.87	\$0.00	\$1,817,933.13	\$7,319,000.00	\$0.00	\$5,481,636.30	74.90%

CONTRACT SUMMARY REPORT #15

July 31, 2015

Division	Description	Status	Vendor Name	Contract Number	Original Contract Amount	Contract Revisions	Committed Costs	Direct Owner Purchases	Work in Place	Percent Complete
		Contract								
DEVELOPMENT COSTS										
40-05-000	Architecture & Engineering				\$1,545,921.60	\$94,900.87	\$1,640,822.47	\$0.00	\$1,625,727.69	99.08%
40-05-300	Planning Services, Architecture, Engineering	X	KIMLEY-HORN AND ASSOC., INC.	4003	\$412,500.00	\$0.00	\$412,500.00	\$0.00	\$399,414.70	96.83%
40-05-300	Planning Services, Architecture, Engineering	X	NELSON/NYGAARD CONSULTING	4004	\$412,941.00	\$27,374.39	\$440,315.39	\$0.00	\$440,276.13	99.99%
40-05-300	Planning Services, Architecture, Engineering	X	PERKINS EASTMAN ARCHITECTS, PC	4005	\$686,000.00	\$47,900.00	\$733,900.00	\$0.00	\$731,929.78	99.73%
40-05-300	Planning Services, Architecture, Engineering	X	ALPHAGRAPHICS	4006	\$794.42	\$14,411.02	\$15,205.44	\$0.00	\$15,205.44	100.00%
40-05-300	Planning Services, Architecture, Engineering	X	MAYO CLINIC	4012	\$2,026.53	\$18,605.93	\$20,632.46	\$0.00	\$20,632.46	100.00%
40-05-300	Planning Services, Architecture, Engineering	X	CARROLL, FRANCK & ASSOCIATES	4020	\$28,000.00	(\$13,390.47)	\$14,609.53	\$0.00	\$14,609.53	100.00%
40-05-300	Planning Services, Architecture, Engineering	X	GARY SMITH	4028	\$1,259.10	\$0.00	\$1,259.10	\$0.00	\$1,259.10	100.00%
40-05-300	Planning Services, Architecture, Engineering	X	JERRY BELL	4029	\$1,844.65	\$0.00	\$1,844.65	\$0.00	\$1,844.65	100.00%
40-05-300	Planning Services, Architecture, Engineering	X	INDIANA HISTORY CENTER	4031	\$555.90	\$0.00	\$555.90	\$0.00	\$555.90	100.00%
40-25-000	Marketing & Public Relations				\$247,563.05	\$160,036.72	\$407,599.77	\$0.00	\$407,428.03	99.96%
40-25-300	Communications, Marketing & PR	X	HIMLE RAPP & CO., INC.	4001	\$28,918.38	\$3,830.44	\$32,748.82	\$0.00	\$32,748.82	100.00%
40-25-300	Communications, Marketing & PR	X	MAYO CLINIC	4012	\$4,275.00	\$9,261.57	\$13,536.57	\$0.00	\$13,536.57	100.00%
40-25-300	Communications, Marketing & PR	X	HIMLE RAPP & CO., INC.	4017	\$143,044.38	\$124,859.89	\$267,904.27	\$0.00	\$267,902.77	100.00%
40-25-300	Communications, Marketing & PR	X	GINA MARIA CHIRI-OSMOND	4027	\$6,900.00	(\$2,625.00)	\$4,275.00	\$0.00	\$4,275.00	100.00%
40-25-310	Public Relations & Communications	X	MAYO CLINIC	4012	\$19,725.29	\$11,329.00	\$31,054.29	\$0.00	\$31,054.29	100.00%
40-25-310	Public Relations & Communications	X	BRANDHOOT	4016	\$27,540.00	\$12,338.80	\$39,878.80	\$0.00	\$39,708.56	99.57%
40-25-310	Public Relations & Communications	X	KNOWBLE MEDIA, LLC	4025	\$4,000.00	\$1,042.02	\$5,042.02	\$0.00	\$5,042.02	100.00%
40-25-310	Public Relations & Communications	X	SAM SMITH	4030	\$13,160.00	\$0.00	\$13,160.00	\$0.00	\$13,160.00	100.00%
40-30-000	Development Services				\$2,300,000.00	\$0.00	\$2,300,000.00	\$0.00	\$2,300,000.00	100.00%
40-30-300	Development Services	X	HAMMES COMPANY SPORTS DEVEL.	DMA	\$1,675,000.00	\$0.00	\$1,675,000.00	\$0.00	\$1,675,000.00	100.00%
40-30-310	Financial, Accounting & Investment Services	X	HAMMES COMPANY SPORTS DEVEL.	DMA	\$625,000.00	\$0.00	\$625,000.00	\$0.00	\$625,000.00	100.00%
40-35-000	Legal Services				\$126,208.01	\$325,641.64	\$451,849.65	\$0.00	\$451,849.65	100.00%
40-35-300	Legal Services	X	FOLEY & LARDNER LLP	4000	\$39,208.01	\$0.00	\$39,208.01	\$0.00	\$39,208.01	100.00%
40-35-300	Legal Services	X	DORSEY & WHITNEY LLP	4015	\$75,000.00	\$288,011.64	\$363,011.64	\$0.00	\$363,011.64	100.00%
40-35-300	Legal Services	X	MICHAEL BEST & FRIEDRICH LLP	4021	\$12,000.00	\$37,630.00	\$49,630.00	\$0.00	\$49,630.00	100.00%
40-55-000	Misc Professional Services				\$298,473.00	\$57,783.35	\$356,256.35	\$0.00	\$352,092.30	98.83%
40-55-300	Economic Analysis, Market Research, Reports	X	AECOM TECHNICAL SERVICES, INC.	4002	\$298,473.00	\$57,783.35	\$356,256.35	\$0.00	\$352,092.30	98.83%
40-90-000	Other Development Costs				\$182,504.02	\$162,034.61	\$344,538.63	\$0.00	\$344,538.63	100.00%
40-90-120	General Expenses-EDA	X	CANADIAN HONKER REST & CATER	4007	\$364.20	\$483.27	\$847.47	\$0.00	\$847.47	100.00%
40-90-120	General Expenses-EDA	X	CATERING BY DESIGN	4008	\$457.94	\$0.00	\$457.94	\$0.00	\$457.94	100.00%
40-90-120	General Expenses-EDA	X	AON RISK SERVICES CENTRAL, INC	4010	\$67,466.17	\$0.00	\$67,466.17	\$0.00	\$67,466.17	100.00%

CONTRACT SUMMARY REPORT #15

July 31, 2015

Division	Description	Status	Vendor Name	Contract Number	Original Contract Amount	Contract Revisions	Committed Costs	Direct Owner Purchases	Work in Place	Percent Complete
		Contract								
40-90-120	General Expenses-EDA	X	MAYO CLINIC	4012	\$4,801.01	\$5,672.65	\$10,473.66	\$0.00	\$10,473.66	100.00%
40-90-120	General Expenses-EDA	X	MAYO CIVIC CENTER	4013	\$4,929.24	\$34,695.39	\$39,624.63	\$0.00	\$39,624.63	100.00%
40-90-120	General Expenses-EDA	X	ROCHESTER TROLLEY & TOUR CO	4014	\$550.00	\$400.00	\$950.00	\$0.00	\$950.00	100.00%
40-90-120	General Expenses-EDA	X	CITY MARKET DOWNTOWN	4018	\$420.44	\$1,157.21	\$1,577.65	\$0.00	\$1,577.65	100.00%
40-90-120	General Expenses-EDA	X	TIM PRIEST	4019	\$566.84	\$0.00	\$566.84	\$0.00	\$566.84	100.00%
40-90-120	General Expenses-EDA	X	DAVID HIGGINS	4022	\$95.20	\$0.00	\$95.20	\$0.00	\$95.20	100.00%
40-90-120	General Expenses-EDA	X	PATRICK SEEB	4023	\$766.20	\$0.00	\$766.20	\$0.00	\$766.20	100.00%
40-90-120	General Expenses-EDA	X	HARLEYSVILLE WORCESTER INS. CO	4024	\$1,762.43	\$0.00	\$1,762.43	\$0.00	\$1,762.43	100.00%
40-90-120	General Expenses-EDA	X	MINNEAPOLIS CLUB	4026	\$1,670.27	(\$217.97)	\$1,452.30	\$0.00	\$1,452.30	100.00%
40-90-120	General Expenses-EDA	X	SRI ZAHEER	4032	\$8.00	\$0.00	\$8.00	\$0.00	\$8.00	100.00%
40-90-120	General Expenses-EDA	X	CWS, INC.	4033	\$1,725.00	\$0.00	\$1,725.00	\$0.00	\$1,725.00	100.00%
40-90-120	General Expenses-EDA	X	MINNESOTA DEPT OF REVENUE	4034	\$1,764.00	\$0.00	\$1,764.00	\$0.00	\$1,764.00	100.00%
40-90-120	General Expenses-EDA	X	US TREASURY	4035	\$2,700.00	\$0.00	\$2,700.00	\$0.00	\$2,700.00	100.00%
40-90-120	General Expenses-EDA	X	DAVIES PRINTING COMPANY	4036	\$8,464.00	\$0.00	\$8,464.00	\$0.00	\$8,464.00	100.00%
40-90-120	General Expenses-EDA	X	FAEGRE BAKER DANIELS	4037	\$30,004.05	\$0.00	\$30,004.05	\$0.00	\$30,004.05	100.00%
40-90-120	General Expenses-EDA	X	WINTHROP & WEINSTINE, P.A.	4038	\$20,074.91	\$0.00	\$20,074.91	\$0.00	\$20,074.91	100.00%
40-90-120	General Expenses-EDA	X	MCGRANN SHEA CARNIVAL STRAUGHN & LA	4039	\$22,884.12	\$0.00	\$22,884.12	\$0.00	\$22,884.12	100.00%
40-90-120	General Expenses-EDA	X	LUND TAX & ACCOUNTING	4040	\$1,030.00	\$0.00	\$1,030.00	\$0.00	\$1,030.00	100.00%
40-90-300	Reimbursable Expenses	X	HAMMES COMPANY SPORTS DEVEL.	DMA	\$0.00	\$129,844.06	\$129,844.06	\$0.00	\$129,844.06	100.00%
	Subtotal				\$4,700,669.68	\$800,397.19	\$5,501,066.87	\$0.00	\$5,481,636.30	99.65%
	PROJECT CONTINGENCY									
90-00-000	Project Contingency				\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	Subtotal				\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	PROJECT TOTAL				\$4,700,669.68	\$800,397.19	\$5,501,066.87	\$0.00	\$5,481,636.30	99.65%

MASTER APPLICATION FOR PAYMENT

MASTER APPLICATION FOR PAYMENT (Form 4020)

From: HAMMES COMPANY To: DMC Economic Development Authority 200 First Street SW Rochester, MN 55905 Attention: Executive Director	Application No.: 15 Application Date: July 1, 2015 Hammes Project No: 40050-05 Period From: June 1, 2015 Period To: June 30, 2015 Project Name: DMC Economic Development Agency	Please Remit To: Acct Name: Acct No: Bank: Notify:
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PROJECT MANAGER:

Submitted in accordance with the Contract Documents for approval by the EDA.

Signed By: _____
Hammes Company Sports Development, Inc.

Date: July 1, 2015

Name: Robert P. Dunn

STATEMENT OF PROJECT:

ORIGINAL MASTER PROJECT BUDGET	\$ <u>7,319,000.00</u>
CURRENT MASTER PROJECT BUDGET	\$ <u>7,319,000.00</u>
<hr/>	
TOTAL COMPLETED & STORED TO DATE	\$ <u>5,481,636.30</u>
RETAINAGE TO DATE	\$ <u>-</u>
TOTAL COMPLETED LESS RETAINAGE	\$ <u>5,481,636.30</u>
LESS PREVIOUS REQUESTS	\$ <u>5,481,604.29</u>
CURRENT AMOUNT DUE (A + B)	\$ <u><u>32.01</u></u>
<hr/>	
CURRENT PAYMENTS DUE (A)	\$ <u>32.01</u>
DIRECT OWNER PURCHASES DUE (B)	\$ <u>-</u>

SOURCES OF FUNDS:	Current Application
City Contribution	\$ 32.01
CURRENT SOURCES OF FUNDS	\$ <u>32.01</u>
USES OF FUNDS:	Current Application
40 - Development Costs	\$ 32.01
50 - Financing Costs	\$ -
60 - Other Project Costs	\$ -
90 - Project Contingency	\$ -
CURRENT USES OF FUNDS	\$ <u>32.01</u>

APPROVALS:

 EDA: _____ Date _____

 DMCC: _____ Date _____

DESTINATION MEDICAL CENTER
ECONOMIC DEVELOPMENT AGENCY

DETAIL SOURCES AND USES REPORT #15

July 1, 2015

Division	Description	Final Projected Cost	Previous Billings	Current Billing	Total Billed To Date	Balance to Complete
SOURCES OF FUNDS						
00-30-005	City Contribution	\$7,319,000.00	\$5,481,604.29	\$32.01	\$5,481,636.30	\$1,837,363.70
	Total Sources of Funds	\$7,319,000.00	\$5,481,604.29	\$32.01	\$5,481,636.30	\$1,837,363.70
USES OF FUNDS						
40-00-000	Development Costs	\$7,319,000.00	\$5,481,604.29	\$32.01	\$5,481,636.30	\$1,837,363.70
90-00-000	Project Contingency	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Total Uses of Funds	\$7,319,000.00	\$5,481,604.29	\$32.01	\$5,481,636.30	\$1,837,363.70

**DESTINATION MEDICAL CENTER
ECONOMIC DEVELOPMENT AUTHORITY**

MASTER APPLICATION FOR PAYMENT DETAIL #15

July 1, 2015

Division	Description	Vendor	Contract No	Work Completed To Date					Retainage		
				Previous Billing	Current Work In Place	Direct Owner Purchase	Total Work to Date	Percent Complete	Previous Retainage	Current Retainage	Total Retainage
	DEVELOPMENT COSTS										
40-05-000	Architecture & Engineering			\$1,625,727.69	\$0.00	\$0.00	\$1,625,727.69	99.08%	\$0.00	\$0.00	\$0.00
40-05-300	Planning Services, Architecture, Engineering	KIMLEY-HORN AND ASSOC., INC.	4003	\$399,414.70	\$0.00	\$0.00	\$399,414.70	96.83%	\$0.00	\$0.00	\$0.00
40-05-300	Planning Services, Architecture, Engineering	NELSON/NYGAARD CONSULTING	4004	\$440,276.13	\$0.00	\$0.00	\$440,276.13	99.99%	\$0.00	\$0.00	\$0.00
40-05-300	Planning Services, Architecture, Engineering	PERKINS EASTMAN ARCHITECTS, PC	4005	\$731,929.78	\$0.00	\$0.00	\$731,929.78	99.73%	\$0.00	\$0.00	\$0.00
40-05-300	Planning Services, Architecture, Engineering	ALPHAGRAPHICS	4006	\$15,205.44	\$0.00	\$0.00	\$15,205.44	100.00%	\$0.00	\$0.00	\$0.00
40-05-300	Planning Services, Architecture, Engineering	MAYO CLINIC	4012	\$20,632.46	\$0.00	\$0.00	\$20,632.46	100.00%	\$0.00	\$0.00	\$0.00
40-05-300	Planning Services, Architecture, Engineering	CARROLL, FRANCK & ASSOCIATES	4020	\$14,609.53	\$0.00	\$0.00	\$14,609.53	100.00%	\$0.00	\$0.00	\$0.00
40-05-300	Planning Services, Architecture, Engineering	GARY SMITH	4028	\$1,259.10	\$0.00	\$0.00	\$1,259.10	100.00%	\$0.00	\$0.00	\$0.00
40-05-300	Planning Services, Architecture, Engineering	JERRY BELL	4029	\$1,844.65	\$0.00	\$0.00	\$1,844.65	100.00%	\$0.00	\$0.00	\$0.00
40-05-300	Planning Services, Architecture, Engineering	INDIANA HISTORY CENTER	4031	\$555.90	\$0.00	\$0.00	\$555.90	100.00%	\$0.00	\$0.00	\$0.00
40-25-000	Marketing & Public Relations			\$407,428.03	\$0.00	\$0.00	\$407,428.03	99.96%	\$0.00	\$0.00	\$0.00
40-25-300	Communications, Marketing & PR	HIMLE RAPP & CO., INC.	4001	\$32,748.82	\$0.00	\$0.00	\$32,748.82	100.00%	\$0.00	\$0.00	\$0.00
40-25-300	Communications, Marketing & PR	MAYO CLINIC	4012	\$13,536.57	\$0.00	\$0.00	\$13,536.57	100.00%	\$0.00	\$0.00	\$0.00
40-25-300	Communications, Marketing & PR	HIMLE RAPP & CO., INC.	4017	\$267,902.77	\$0.00	\$0.00	\$267,902.77	100.00%	\$0.00	\$0.00	\$0.00
40-25-300	Communications, Marketing & PR	GINA MARIA CHIRI-OSMOND	4027	\$4,275.00	\$0.00	\$0.00	\$4,275.00	100.00%	\$0.00	\$0.00	\$0.00
40-25-310	Public Relations & Communications	MAYO CLINIC	4012	\$31,054.29	\$0.00	\$0.00	\$31,054.29	100.00%	\$0.00	\$0.00	\$0.00
40-25-310	Public Relations & Communications	BRANDHOOT	4016	\$39,708.56	\$0.00	\$0.00	\$39,708.56	99.57%	\$0.00	\$0.00	\$0.00
40-25-310	Public Relations & Communications	KNOWBLE MEDIA, LLC	4025	\$5,042.02	\$0.00	\$0.00	\$5,042.02	100.00%	\$0.00	\$0.00	\$0.00
40-25-310	Public Relations & Communications	SAM SMITH	4030	\$13,160.00	\$0.00	\$0.00	\$13,160.00	100.00%	\$0.00	\$0.00	\$0.00
40-30-000	Development Services			\$2,300,000.00	\$0.00	\$0.00	\$2,300,000.00	100.00%	\$0.00	\$0.00	\$0.00
40-30-300	Development Services	HAMMES COMPANY SPORTS DEVEL.	DMA	\$1,675,000.00	\$0.00	\$0.00	\$1,675,000.00	100.00%	\$0.00	\$0.00	\$0.00
40-30-310	Financial, Accounting & Investment Services	HAMMES COMPANY SPORTS DEVEL.	DMA	\$625,000.00	\$0.00	\$0.00	\$625,000.00	100.00%	\$0.00	\$0.00	\$0.00
40-35-000	Legal Services			\$451,849.65	\$0.00	\$0.00	\$451,849.65	100.00%	\$0.00	\$0.00	\$0.00
40-35-300	Legal Services	FOLEY & LARDNER LLP	4000	\$39,208.01	\$0.00	\$0.00	\$39,208.01	100.00%	\$0.00	\$0.00	\$0.00
40-35-300	Legal Services	DORSEY & WHITNEY LLP	4015	\$363,011.64	\$0.00	\$0.00	\$363,011.64	100.00%	\$0.00	\$0.00	\$0.00
40-35-300	Legal Services	MICHAEL BEST & FRIEDRICH LLP	4021	\$49,630.00	\$0.00	\$0.00	\$49,630.00	100.00%	\$0.00	\$0.00	\$0.00
40-55-000	Misc Professional Services			\$352,060.29	\$32.01	\$0.00	\$352,092.30	98.83%	\$0.00	\$0.00	\$0.00
40-55-300	Economic Analysis, Market Research, Reports	AECOM TECHNICAL SERVICES, INC.	4002	\$352,060.29	\$32.01	\$0.00	\$352,092.30	98.83%	\$0.00	\$0.00	\$0.00
40-90-000	Other Development Costs			\$344,538.63	\$0.00	\$0.00	\$344,538.63	100.00%	\$0.00	\$0.00	\$0.00
40-90-120	General Expenses-EDA	CANADIAN HONKER REST & CATER	4007	\$847.47	\$0.00	\$0.00	\$847.47	100.00%	\$0.00	\$0.00	\$0.00
40-90-120	General Expenses-EDA	CATERING BY DESIGN	4008	\$457.94	\$0.00	\$0.00	\$457.94	100.00%	\$0.00	\$0.00	\$0.00
40-90-120	General Expenses-EDA	AON RISK SERVICES CENTRAL, INC	4010	\$67,466.17	\$0.00	\$0.00	\$67,466.17	100.00%	\$0.00	\$0.00	\$0.00
40-90-120	General Expenses-EDA	MAYO CLINIC	4012	\$10,473.66	\$0.00	\$0.00	\$10,473.66	100.00%	\$0.00	\$0.00	\$0.00

**DESTINATION MEDICAL CENTER
ECONOMIC DEVELOPMENT AUTHORITY**

MASTER APPLICATION FOR PAYMENT DETAIL #15

July 1, 2015

Division	Description	Vendor	Contract No	Work Completed To Date					Retainage		
				Previous Billing	Current Work In Place	Direct Owner Purchase	Total Work to Date	Percent Complete	Previous Retainage	Current Retainage	Total Retainage
40-90-120	General Expenses-EDA	MAYO CIVIC CENTER	4013	\$39,624.63	\$0.00	\$0.00	\$39,624.63	100.00%	\$0.00	\$0.00	\$0.00
40-90-120	General Expenses-EDA	ROCHESTER TROLLEY & TOUR CO	4014	\$950.00	\$0.00	\$0.00	\$950.00	100.00%	\$0.00	\$0.00	\$0.00
40-90-120	General Expenses-EDA	CITY MARKET DOWNTOWN	4018	\$1,577.65	\$0.00	\$0.00	\$1,577.65	100.00%	\$0.00	\$0.00	\$0.00
40-90-120	General Expenses-EDA	TIM PRIEST	4019	\$566.84	\$0.00	\$0.00	\$566.84	100.00%	\$0.00	\$0.00	\$0.00
40-90-120	General Expenses-EDA	DAVID HIGGINS	4022	\$95.20	\$0.00	\$0.00	\$95.20	100.00%	\$0.00	\$0.00	\$0.00
40-90-120	General Expenses-EDA	PATRICK SEEB	4023	\$766.20	\$0.00	\$0.00	\$766.20	100.00%	\$0.00	\$0.00	\$0.00
40-90-120	General Expenses-EDA	HARLEYSVILLE WORCESTER INS. CO	4024	\$1,762.43	\$0.00	\$0.00	\$1,762.43	100.00%	\$0.00	\$0.00	\$0.00
40-90-120	General Expenses-EDA	MINNEAPOLIS CLUB	4026	\$1,452.30	\$0.00	\$0.00	\$1,452.30	100.00%	\$0.00	\$0.00	\$0.00
40-90-120	General Expenses-EDA	SRI ZAHEER	4032	\$8.00	\$0.00	\$0.00	\$8.00	100.00%	\$0.00	\$0.00	\$0.00
40-90-120	General Expenses-EDA	CWS, INC.	4033	\$1,725.00	\$0.00	\$0.00	\$1,725.00	100.00%	\$0.00	\$0.00	\$0.00
40-90-120	General Expenses-EDA	MINNESOTA DEPT OF REVENUE	4034	\$1,764.00	\$0.00	\$0.00	\$1,764.00	100.00%	\$0.00	\$0.00	\$0.00
40-90-120	General Expenses-EDA	US TREASURY	4035	\$2,700.00	\$0.00	\$0.00	\$2,700.00	100.00%	\$0.00	\$0.00	\$0.00
40-90-120	General Expenses-EDA	DAVIES PRINTING COMPANY	4036	\$8,464.00	\$0.00	\$0.00	\$8,464.00	100.00%	\$0.00	\$0.00	\$0.00
40-90-120	General Expenses-EDA	FAEGRE BAKER DANIELS	4037	\$30,004.05	\$0.00	\$0.00	\$30,004.05	100.00%	\$0.00	\$0.00	\$0.00
40-90-120	General Expenses-EDA	WINTHROP & WEINSTINE, P.A.	4038	\$20,074.91	\$0.00	\$0.00	\$20,074.91	100.00%	\$0.00	\$0.00	\$0.00
40-90-120	General Expenses-EDA	MCGRANN SHEA CARNIVAL STRAUGHN & L	4039	\$22,884.12	\$0.00	\$0.00	\$22,884.12	100.00%	\$0.00	\$0.00	\$0.00
40-90-120	General Expenses-EDA	LUND TAX & ACCOUNTING	4040	\$1,030.00	\$0.00	\$0.00	\$1,030.00	100.00%	\$0.00	\$0.00	\$0.00
40-90-300	Reimbursable Expenses	HAMMES COMPANY SPORTS DEVEL.	DMA	\$129,844.06	\$0.00	\$0.00	\$129,844.06	100.00%	\$0.00	\$0.00	\$0.00
	Subtotal			\$5,481,604.29	\$32.01	\$0.00	\$5,481,636.30	99.65%	\$0.00	\$0.00	\$0.00
	PROJECT CONTINGENCY										
90-00-000	Project Contingency			\$0.00	\$0.00	\$0.00	\$0.00	0.00%	\$0.00	\$0.00	\$0.00
	Subtotal			\$0.00	\$0.00	\$0.00	\$0.00	0.00%	\$0.00	\$0.00	\$0.00
	PROJECT TOTAL			\$5,481,604.29	\$32.01	\$0.00	\$5,481,636.30		\$0.00	\$0.00	\$0.00

	Current Work In Place	Direct Owner Purchase	Total Current Work
Current Work In Place	\$32.01	\$0.00	\$32.01
Less Current Retainage Held	\$0.00	\$0.00	\$0.00
Net Amount Due	\$32.01	\$0.00	\$32.01

**DESTINATION MEDICAL CENTER
ECONOMIC DEVELOPMENT AUTHORITY**

INVOICE SUMMARY REPORT #15 **July 1, 2015**

Vendor Name	Description	Invoice No	Invoice Date	Invoice Amount	Retainage Held	Amount Due	Approval
AECOM TECHNICAL SERVICES, INC.	Market Analyst and Economic & Fiscal Impacts	37581444	6/17/2015	\$32.01	\$0.00	\$32.01	
GRAND TOTAL				\$32.01	\$0.00	\$32.01	

8.0 OTHER INFORMATION



ROCHESTER

Minnesota



August 20, 2015

Lt. Governor Tina F. Smith, Chair
Destination Medical Center Corporation Board

Re: Requested DMCC Board Approval of Transit/Transportation/Infrastructure
Program Management Firm Concept

Dear Chair Smith and DMCC Boardmembers:

The City is requesting the approval of the DMCC Board at its August 27th meeting for the City's retention of a Transit/Transportation/Infrastructure Program Management Consultant firm for a five year period. The annual cost is estimated to be approximately \$500,000 per year. If the concept and rationale for this retention is approved by the DMCC, the City will proceed to retain this firm in September of 2015. The City staff, DMC EDA staff, and Olmsted County Planning and Rochester Olmsted Council of Governments staff are currently in the process of interviewing and selecting the firm to be recommended to the City Council. Approval of the DMCC Board is needed to allow the City to obtain credit for the costs to be incurred and to allow progress to be made expeditiously on the DMC 2015 and 2016 work program. The actual costs to be credited will be certified annually to the DMCC.

The retention of a program management firm has been recommended by our City staff to assist the City, DMCC, DMC EDA and the County in moving forward and completing the several major studies that need to be completed to integrate the transit, parking, and parking management systems and to assist in the project coordination for all the infrastructure projects involving our many partners and the public. The City Council agrees that the assistance of a program management firm, which remains to be selected, to provide this service will augment the efforts of our City staff and the DMC EDA to allow us to make significant progress in 2016 and following years. The City and the County have provided and will continue to provide significant staff support services for the DMC program, but preliminary engineering, planning work, and coordination for all the many potential DMC infrastructure projects is not an activity that the City and the County can undertake solely with its current staff resources.

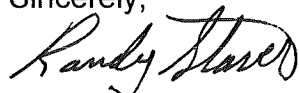
Some of the complicated transit, transportation and infrastructure studies and work efforts that should be initiated to make progress on the DMC program, include:

- a. A Transit and Street Capacity Study to further refine the work in the development plan to determine the feasibility and impact of reducing important urban arterials such as 2nd Street for transit lanes.
- b. Initiation of the federally required Project Planning Study for a downtown circulator, looking into more detail into routes, modes, funding, design and operation.
- c. An integrated study of Downtown Parking and Park and Ride needs to determine overall parking needs, the phasing of new parking development, changes to parking management structure, funding and more detailed look into the shared parking concept.
- d. Work with the DMCC and the DMC EDA to determine the feasible and appropriate Phase I priority infrastructure projects and funding. A DMCC budget and CIP needs to be developed, refined and submitted to the DMCC and the City.
- e. Policy and ordinance studies to determine changes in parking requirements, how parking integrates with transit, and land use requirements.

All of the above studies and work efforts are areas that the City and ROCOG have historically been the lead government agencies in conducting and carrying out. Those studies need to be integrated into the City and ROCOG transportation plans and the City's Comprehensive Plan. The studies will require involvement and close coordination with the DMCC Board, DMC EDA, Mayo Clinic, Olmsted County and others.

The Mayor and City Council ask for your approval and support for this retention. We believe it will greatly assist the DMCC, DMC EDA, County and City in making progress on the DMC program and projects.

Sincerely,



Randy Staver
President
Rochester City Council

C: Mayor and City Council
Stevan Kvenvold
Gary Neumann