



DESTINATION
MEDICAL CENTER
CORPORATION
(DMCC)

BOARD MEETING

9:30 A.M. THURSDAY, OCTOBER 27, 2016

MAYO CIVIC CENTER - ROCHESTER



DESTINATION MEDICAL CENTER CORPORATION (DMCC)
 BOARD MEETING
 Thursday, October 27, 2016
 9:30 A.M.
 AGENDA

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XII. Meeting Schedule:	
A. Next Regular Meeting: December 15, 2016 at 9:30 A.M.	
XIII. Adjournment	

**DESTINATION MEDICAL CENTER CORPORATION
BOARD OF DIRECTORS**

MINUTES
August 25, 2016

- I. Call to Order. Chair Tina Smith called the meeting to order at 9:30 a.m. at the Mayo Civic Center, Riverview Suite, located at 30 Civic Center Drive SE, Rochester, MN 55904.
- II. Roll Call. In attendance were Chair Tina Smith, Council Member Mark Hickey, Jim Campbell, Susan Park Rani, Commissioner Jim Bier, Mayor Ardeil Brede and Michael Dougherty.
- III. Approval of Agenda. Chair Smith requested a motion to approve the Agenda. Mr. Dougherty moved approval. Commissioner Bier seconded.

Ayes (7), Nays (0), Motion carried.
- IV. Approval of Minutes: June 23, 2016. Chair Smith requested approval of the Minutes from the meeting held on June 23, 2016. Mr. Campbell moved approval. Mr. Dougherty seconded.

Ayes (7), Nays (0), Motion carried.
- V. Public Comment Period. Chair Smith invited members of the community to provide comments.

Barry Skolnick, Rochester resident, noted reports that the University of Minnesota Rochester and the library have been the subject of discussions regarding how each institution might occupy shared space. He also noted a concern about bicycles on downtown sidewalks.

Anna Richey, Ivan Idso, Rick Morris, and Tom Williamson thanked the Board for supporting energy and sustainability goals, highlighted complementary requirements in the DMC Design Guidelines and asked that a sustainability coordinator be hired as soon as possible.

Traci Downs, owner of the Conley-Maass building, invited members of the Board to the August 25 Conley-Maass open house and described the building's co-working space.

Sunny Prabhakar, founder of a local young professionals group and an appointee to the Heart of the City Community Advisory Committee, asked that patient experience and the needs of a growing workforce be kept in mind while designing the Heart of the City public space.

Dennis Davey, president of the Historic Southwest neighborhood association, shared his experience at the EDA-led June 2016 Saint Marys Place site transit-oriented development visit to Saint Paul and Minneapolis and stated that it furthered the Saint Marys Place working group's best practices discussion and decision-making.

Kellie Mueller, a member of the Kutzky Park Neighborhood Association, asked the Board to consider expansion of the DMC district boundary, and suggested that the Metropolitan Design Center examine a proposed mixed-use development on the Miracle Mile site.

Hallie Wallace, Jane Peterson and Mary Bale, members of the Service Employees International Union, spoke regarding the ongoing food service subcontracting negotiations at Mayo Clinic sites.

Richard Olen, a resident of Shoreview, MN, expressed his desire to include elevated rail in Rochester's transit plans.

Jerome Ferson, President of the United Way of Olmsted County, complimented the EDA for working with community organizations while identifying data sources from which to measure progress toward DMC and community goals.

VI. Chair's Report. Chair Smith reported that the Minnesota Department of Employment and Economic Development ("DEED") certified the 2015 private DMC investment figures submitted by Mayo Clinic, the EDA and the City of Rochester. 2015 private investment exceeded \$106 million, increasing to-date investment to \$152.4 million. The City public investment to-date totals \$9.8 million. Chair Smith also thanked Olmsted County for committing \$10.5 million to advance transit efforts. Finally, Chair Smith welcomed members of the public to the 11:30 a.m. tour of the Conley-Maass building.

VII. DMCC: Form 990; Charitable Organization Report. Craig Popenhagen of CliftonLarsonAllen presented the DMCC's IRS Form 990, describing various sections of the form and stating that the form must be submitted by November 15, 2016. The DMCC must also file an Annual Charitable Organization Report to the Attorney General's Office.

Resolution A: Approval of 2016 Minnesota Charitable Organization Annual Report and 2015 Form 990. Chair Smith requested a motion to approve the resolution. Commissioner Bier moved approval. Council Member Hickey seconded;

Ayes (7), Nays (0), Motion carried.

VIII. City of Rochester: Update. Randy Staver, Rochester City Council President, provided the City update.

The City's Comprehensive Plan, including guidance on public transit, land use, urban design, and other areas of focus, will be ready for public review in September.

A modified parking policy is planned to be created by the Council in the coming weeks. Transit studies are ongoing and a more detailed update will be provided in October. Nelson Nygaard, transit leader for the DMC Development Plan, has assisted in transferring historical data. All study teams meet the WMBE goals and are on schedule and budget,

Ms. Park Rani requested that a transit study timeline graph be provided to the Board. Mr. Campbell noted that developers and investors are interested in understanding how Rochester's transportation system will function. Mr. Neumann noted that a milestone schedule was included in the June 23 joint meeting packet. Mr. Dougherty asked that a detailed calendar be provided to the Board by the City before the next meeting, and Chair Smith asked that it be provided with all future Board materials. Commissioner Bier requested specific milestones on decision points.

The design guidelines developed for downtown Rochester continue to be refined through a community engagement process. The City has retained the Metropolitan Design Center. Mayo Clinic, the City of Rochester's Committee on Urban Design and Environment (CUDE), Rochester Area Builders, and the Rochester Downtown Alliance (RDA) Space and Place committee have reviewed the standards, with follow-up meetings with RDA and CUDE scheduled for September 1. The City Council will review the proposed design guidelines in September.

The Chateau Theatre re-use initiative, led by Milfer Dunwiddie and the Chateau Theatre Re-Use Task Force, is underway.

Development projects, including the Alatus and Bloom International proposed projects, continue to move forward.

IX. Project Update (City of Rochester, EDA)

A. Heart of the City: Report and Recommendation of Public Spaces Design Firm.

Mayor Brede described the role and responsibilities of the Heart of the City Community Advisory Committee (CAC). Eleven responses were received after issuing the Heart of the City Public Space Design request for qualifications, and six of the responding firms were issued requests for proposals.

On August 15, the CAC interviewed RSP Architects, HGA Architects, and Sasaski Associates. The committee indicated majority support for the RSP Architects proposal.

Council Member Hickey asked for regular updates to the City Council. Mr. Neumann stated that pending approval by the Board, action to retain RSP Architects as the public space design firm will be presented to the City Council on September 7.

Resolution B: Approving Recommendation to Engage RSP Architects to Serve as the Public Space Design Firm for the Heart of the City. Mr. Neumann suggested that the DMCC resolution be amended to identify the public space design work undertaken by RSP Architects as a public infrastructure project.

Chair Smith requested a motion to approve the resolution as amended. Commissioner Bier moved approval. Ms. Park Rani seconded.

Ayes (7), Nays (0), Motion carried.

- B. Saint Marys Place / Second Street Infrastructure. Patrick Seeb, EDA, stated that the public space design process continues and described the design sprint and timeline that will be completed for Saint Marys Place.
- C. Alatus: Proposed Development on 2nd Street SW. Bob Lux and Chris Osmundson of Alatus, LLC described the proposed development on the corner of Second Street and Fourteenth Ave., SW. The development is primarily residential but includes approximately 13,000 s.f. of ground floor commercial space. The proposed project is intended to be dense and community oriented, providing a new gateway to Saint Marys Place. Mr. Lux highlighted several amenities, including a restaurant and brownstone rowhouses meant to ease the transition into the nearby neighborhood.

The project will be presented to the City Planning Commission and City Council in September.

Council Member Hickey questioned whether the building construction materials or the economics of development impact the building height. Mr. Lux responded that the building height is influenced by a combination of factors and that efforts have been made to integrate the development into the existing neighborhood atmosphere. Mr. Dougherty asked about the project's expected cost and equity, which are estimated at \$105 million and \$30-40 million, respectively. Commissioner Bier, noted that the project's density is likely necessary for its success.

X. Economic Development Agency.

- A. EDA Operations. Jeff Bolton, EDA Board President and Mayo Clinic CAO, and EDA Executive Director Lisa Clarke provided an EDA update. Mr. Bolton commented on Discovery Square and Mayo Clinic's commitment to DMC. Mr. Bolton congratulated Hunter and Traci Downs and highlighted the leadership of entrepreneurs in economic development and vibrancy in the community. Mr. Bolton stated that the EDA is working closely with community organizations, and city and county staff. Mayo Clinic will serve as a catalyst in Discovery Square and is nearing the end of a real estate development firm selection process. Mr. Bolton indicated that the firm is located in Minnesota and that an announcement will be made in the coming weeks.

Mr. Bolton reported that Mayo Clinic's 2016 capital investments, along with other development, will allow DMC to meet the \$200 million State private investment requirement.

B. Discovery Square.

- a) Subdistrict Approach. Mayor Brede asked if public green space will be incorporated into Discovery Square. Mr. Bolton stated that Mayo Clinic will include green space in its Discovery Square plan.
- b) Mayo Clinic Update. Mr. Bolton also reported that Mayo Clinic's Rochester employee headcount as of July 2016 is 34,175, demonstrating high patient demand and growth of nearly 3,400

positions in one year. Mr. Bolton stated that patient demand is strong and that Mayo Clinic is "bullish" and "all-in" on Rochester and enjoys its strong relationships with the EDA, and the City, County and State.

Mr. Campbell requested regular Mayo Clinic employment and growth updates.

- C. Marketing Update. Ms. Clarke, stated that the EDA is pleased with interest by developers in all six subdistricts. Citing the progress in Saint Marys Place as an example, Ms. Clarke reported that the City, EDA, DMCC, neighborhood groups, developers, and landowners continue to work together.

Ms. Clarke highlighted several local events, including Rochester's Supplier Diversity Summit, which included more than 300 participating organizations, and the Southeast Minnesota Economic Summit, which offers individuals and organizations from around Minnesota to take part in the growth and opportunity found in Southeast Minnesota.

The EDA's work with Center for Energy and the Environment and the McKnight Foundation continues, as well. McKnight Foundation grant funding was provided in July and the Energy Integration Committee continues to meet.

Ms. Clarke reported that the DMC marketing plan is moving forward with marketing firm Clarity Coverdale Fury. The first phase of the plan is being finalized and will begin execution in September, audiences have been identified, and marketing efforts will expand nationally as Discovery Square progresses.

Ms. Park Rani noted the thoughtful approach to supplier diversity taken in Rochester.

Chair Smith thanked the City of Rochester for working with the Metropolitan Economic Development Association to improve opportunities for small- and minority-owned businesses.

- D. Prototyping Event (September 15-17, 2016). Mr. Seeb described Rochester's Placemakers Festival, noting that it is a nationally recognized business strategy and a partnership with the EDA, Rochester Downtown Alliance and the Rochester Art Center and will coincide with Mayo Clinic's Transform Conference, scheduled for September 16-18, 2016.
- E. Metrics. Craig Helmstetter, Senior Research Manager at Wilder Foundation, Mr. Seeb and Ms. Clarke described the process of capturing data for the DMC metrics dashboard. Mr. Seeb noted that the methodology and outcomes were derived from the DMC goals but that the dashboard is not solely a measure of DMC, but in fact measures change in the community overall. Mr. Helmstetter noted that the dashboard includes a large number of indicators, but that it may be refined over time to include only those which are found to be most valuable. Commissioner Bier requested that the dashboard track the output of the Olmsted County waste-to-energy plant. Chair Smith noted that the dashboard includes broad population indicators in addition to those that are specific to DMC.

XI. DMCC 2016 Budget: Year to Date Update. Commissioner Bier offered a budget update.

XII. Meeting Schedule. The next regular meeting of the DMCC is Thursday, October 27, 2016 at 9:30 A.M.

XIII. Adjournment. Commissioner Bier moved to adjourn the meeting. Ms. Park Rani seconded.

Ayes (7), Nays (0), Motion carried.

Alatus, LLC
Second Street-Saint Marys Place
Devevelopment



Alatus, LLC
800 Nicollet Mall, Suite 2850
Minneapolis, Minnesota 55402

October 18, 2016

DMC Corporation
Attn.: Board Members
195 South Broadway, Suite 12
Rochester, Minnesota 55902

Dear DMC Corporation Board Members:

Alatus is formally requesting an amendment to the DMC Boundary limits to include the additional parcels proposed for the Alatus 2nd Street Development footprint. A significant portion of the proposed project, approximately sixty-five percent (65%), is already located within the St. Mary's Place DMC sub-district. To provide a visual reference of the proposed development footprint, an aerial of the site plan has been attached to the end of this letter. The applicant is requesting this boundary adjustment to develop a mixed-used, high-quality, precedent setting project serving as a gateway into the overall DMC Development District, which will adhere to various stakeholders' requests for a quality, sustainable, community-oriented development. Because Alatus will be requesting funds through the DMCC and City of Rochester Joint Funding Application, it is necessary that the entirety of the development and the parcels it includes be within the DMC Boundary. The applicant has been working closely with both the City and DMC EDA staffs to develop a project that meets the DMC Plan Goals and Objectives. It is also important to note that the current property owners of all fourteen (14) land parcels are under purchase agreement with Alatus.

The Alatus 2nd Street Development has been proposed with high-quality materials, similar to that of the Alatus Latitude 45 apartment development in Minneapolis which several people of the Rochester community visited during the DMC's "*St. Mary's Place Planning: Site Visit to Twin Cities*" event. The project presents a new level of quality of rental housing the city of Rochester has yet to experience; thus it is an untested product which market research supports as a demanded lifestyle. Given this quality of development, the overall project cost is estimated to be approximately \$115mm. The overall design situates a 13-story residential building within the existing block and is respectful to its residential neighbors in terms of height, massing, ground level circulation and landscaping. While dense, the development seeks to create a human scale to the ground floor so as to engage the community, residents, visitors, patients, and employees alike. The building will include apartment and townhome rental housing, retail space, a neighborhood restaurant, office incubator space, and a fully enclosed parking garage occupied solely by the building's tenants. The project will support the residents' sustainable living experience by meeting

U.S. Bancorp Center
800 Nicollet Mall
Suite 2850
Minneapolis, MN 55402
Phone 612.455.0700
Fax 612.455.0740

www.alatusllc.com

LEED standards and incorporating energy-efficient appliances, low-flow water fixtures, low-VOC paints and building-wide recycling practices. In addition, the proposed Alatus project provides a highly-activated pedestrian experience which will exceed the DMC and City of Rochester's landscaping usage goals and streetscape requirements.

To provide some background of our progress thus far, the Alatus 2nd Street Development has received its preliminary phase Restricted Development approval from the City and submitted our Final Phase Restricted Development Application on October 12, 2016. The Planning Commission review on the Final Phase is scheduled to be held on November 9, 2016 followed by the final City Council hearing scheduled for December 19, 2016, at which time it is anticipated that the Council would provide approval of the Development Assistance Agreement as well as approval of the boundary adjustment. The final step of the approval process would be held at the DMCC Board Meeting to be scheduled in January 2017, to approve the boundary adjustment. The DMCC Board will be requested to give its approval to the project at their meeting on December 15, 2016, contingent upon the final approval of the boundary modification in January. The DMCC Board needs to approve the project before the City Council grants their approval. Conversely the City Council needs to approve the boundary modification before the DMCC Board approves that.

We greatly appreciate your review and consideration of the boundary adjustment for the Alatus 2nd Street Development project. Should you have any questions, please feel free to contact me at (612) 201-8487 or via chosmundson@alatusllc.com.

Best Regards,

Chris Osmundson

Chris Osmundson
Development Director
Alatus, LLC

Enclosure – Aerial of Alatus 2nd Street Development Site

115 Bancorp Center
440 Snodgrass Hall
Suite 4050
Minneapolis, MN 55402
Phone 612-453-3700
Fax 612-453-3740

www.alatusllc.com

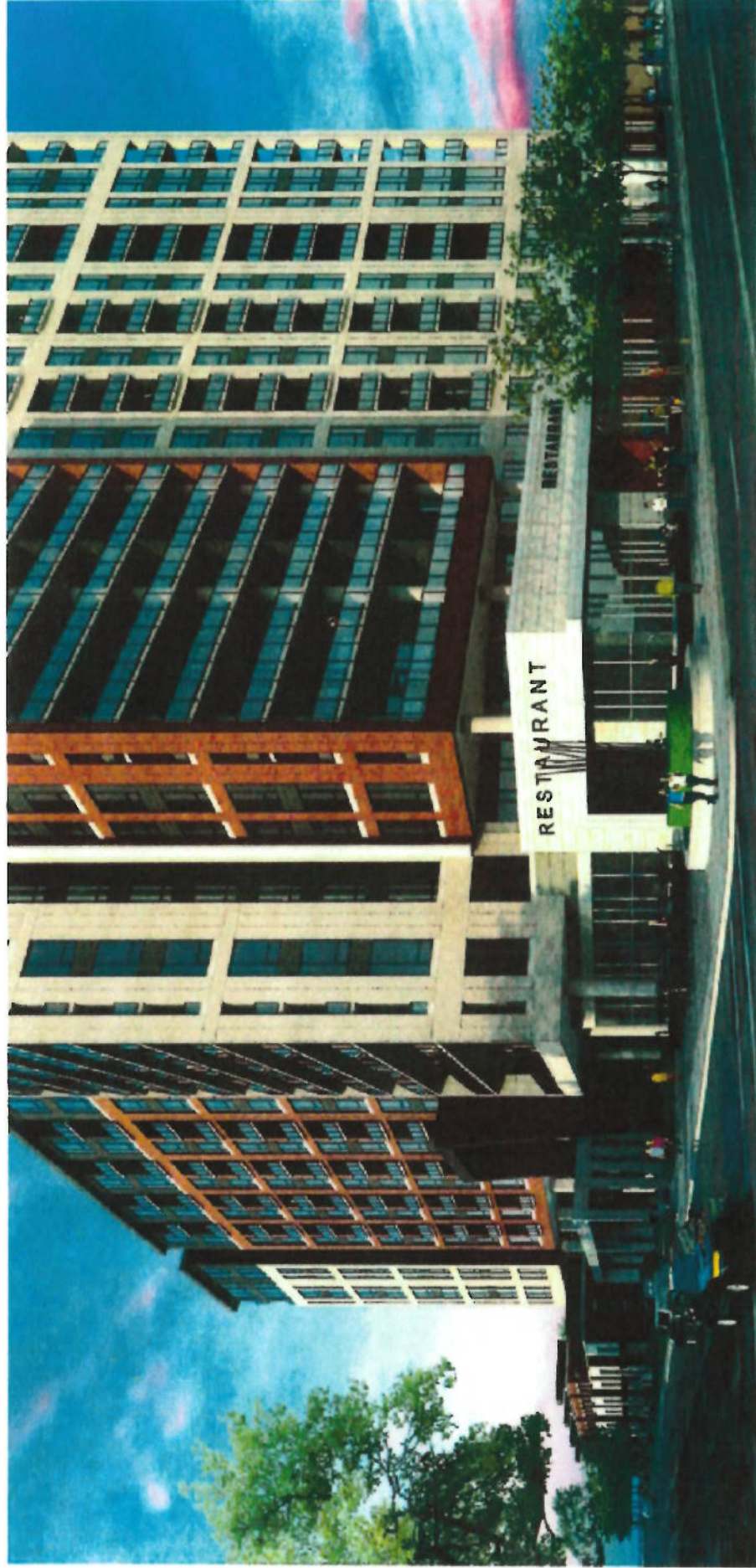
Alatus 2nd Street Development



2nd Street Mixed-Use Development

ALATUS 

DMC Goals & Objectives #3 - Workforce Development Strategies



2nd Street Mixed-Use Development

DMC Goals & Objectives # 4 - Generate New Tax Revenue



2nd Street Mixed-Use Development

ALATUS esc

Walkable Neighborhood / Accessibility to all Citizens



2nd Street Mixed-Use Development

ALATUS[®] ESC

Thank you for your consideration of the
Alatus 2nd Street Development



DESTINATION MEDICAL CENTER CORPORATION

RESOLUTION NO. __- 2016

Authorizing Submission of a Modification to the Development District to the City of Rochester

BACKGROUND RECITALS

A. On April 23, 2015, the Destination Medical Center Corporation (“DMCC”) adopted a development plan for the Destination Medical Center initiative (the “Development Plan”) as contemplated by Minnesota Statutes Sections 469.40 et. seq.

B. The DMCC also adopted a geographic area in the City of Rochester (the “City”) identified in the Development Plan, in which public infrastructure projects are implemented as the Destination Medical Center development district (the “Development District”).

C. The City and the Destination Medical Center Economic Development Agency (“EDA”) have received a request for a modification to the Development District, set forth in Exhibit A attached (the “Proposed Development District Modification”).

D. The DMCC may modify the Development Plan at anytime, and must update the Development Plan not less than every five years. Pursuant to Minnesota Statutes Section 469.43, subdivision 4, a modification or update must be adopted by the DMCC upon the notice and after the public hearing and findings required for the original adoption of the Development Plan, including approval by the City.

E. The DMCC must hold a public hearing before modifying the Development Plan. At least sixty days before the hearing, the DMCC must make copies of the proposed modifications available to the public at the DMCC’s and City’s offices during normal business hours, on the DMCC’s and City’s websites, and as otherwise determined by the DMCC. At least ten days before the hearing, the DMCC must publish notice of the hearing in the official newspaper of the City. The DMCC may modify the Development Plan upon its finding that the elements of the statute have been satisfied, and upon approval of the modification by the City.

F. The City must act on the proposed modification to the Development Plan within sixty days following its submission by the DMCC.

RESOLUTION

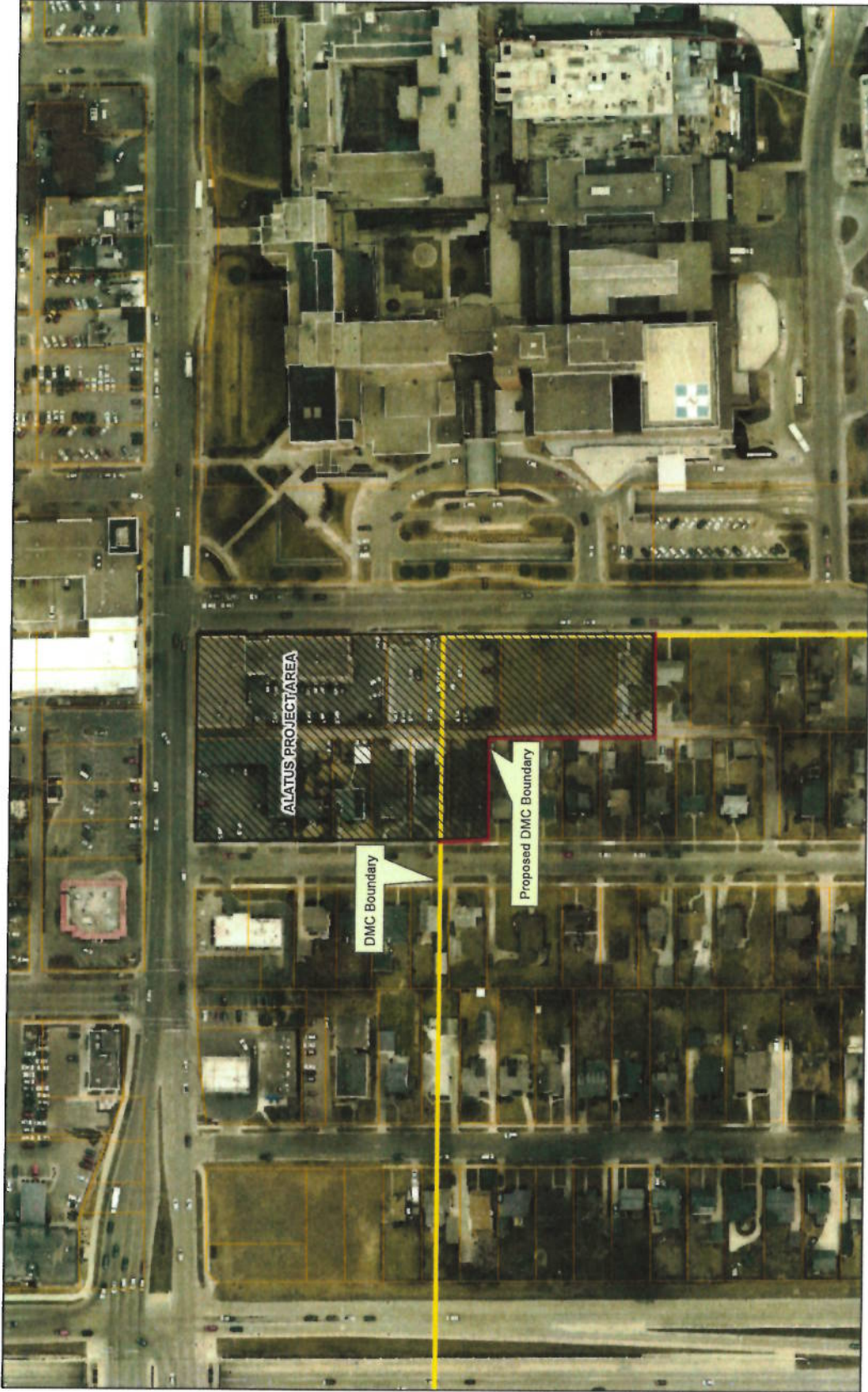
NOW THEREFORE, BE IT RESOLVED by the Destination Medical Center Corporation Board of Directors that the Proposed Development District Modification, dated as of October 27, 2016, and on file with the DMCC is hereby submitted to the City of Rochester for its review and action within 60 days.

BE IT FURTHER RESOLVED that the DMCC Chair and Vice Chair are authorized:

(1) to make copies of the Proposed Development District Modification available to the public at the DMCC and City offices during normal business hours, on the DMCC's website, on the City's website, and as otherwise appropriate;

(2) to determine the date, time, and place to hold the public hearing for testimony from the public concerning the Proposed Development District Modification; and

(3) to take such actions as are necessary and appropriate to effectuate the submission of the Proposed Development District Modification and the timely progression of the approval process.



DATA DISCLAIMER - Destination Medical Center (DMC) Boundary
The DMC Boundary is a boundary for an Economic Development Initiative and was approved in the Spring of 2015. The boundary polygon was created based on the 'description' of the DMC area.
The DMC area was not a surveyed legal description and was subject to interpretation. Please note that this boundary is for informational purposes only and is subject to change.

10. The boundary then continues due west to the western edge of 14th Ave SW.

11. The boundary then continues north for 683 ft. along the western edge of the public right of way 14th Ave SW.

- The boundary then continues west along the southern boundary of Olmsted County parcel # 640312007632 to the western edge of the public right of way of the alley.
- The boundary then continues north for 218 feet along the western edge of the public right of way of the alley.
- The boundary then continues west along the southern boundary of Olmsted County parcel #640312009014 to the western boundary of the same parcel.
- The boundary then continues north for 60 feet along the eastern edge of the public right of way of 15th Avenue SW.

12. The boundary then continues due west to the western edge of the public right of way of 17th Ave SW.



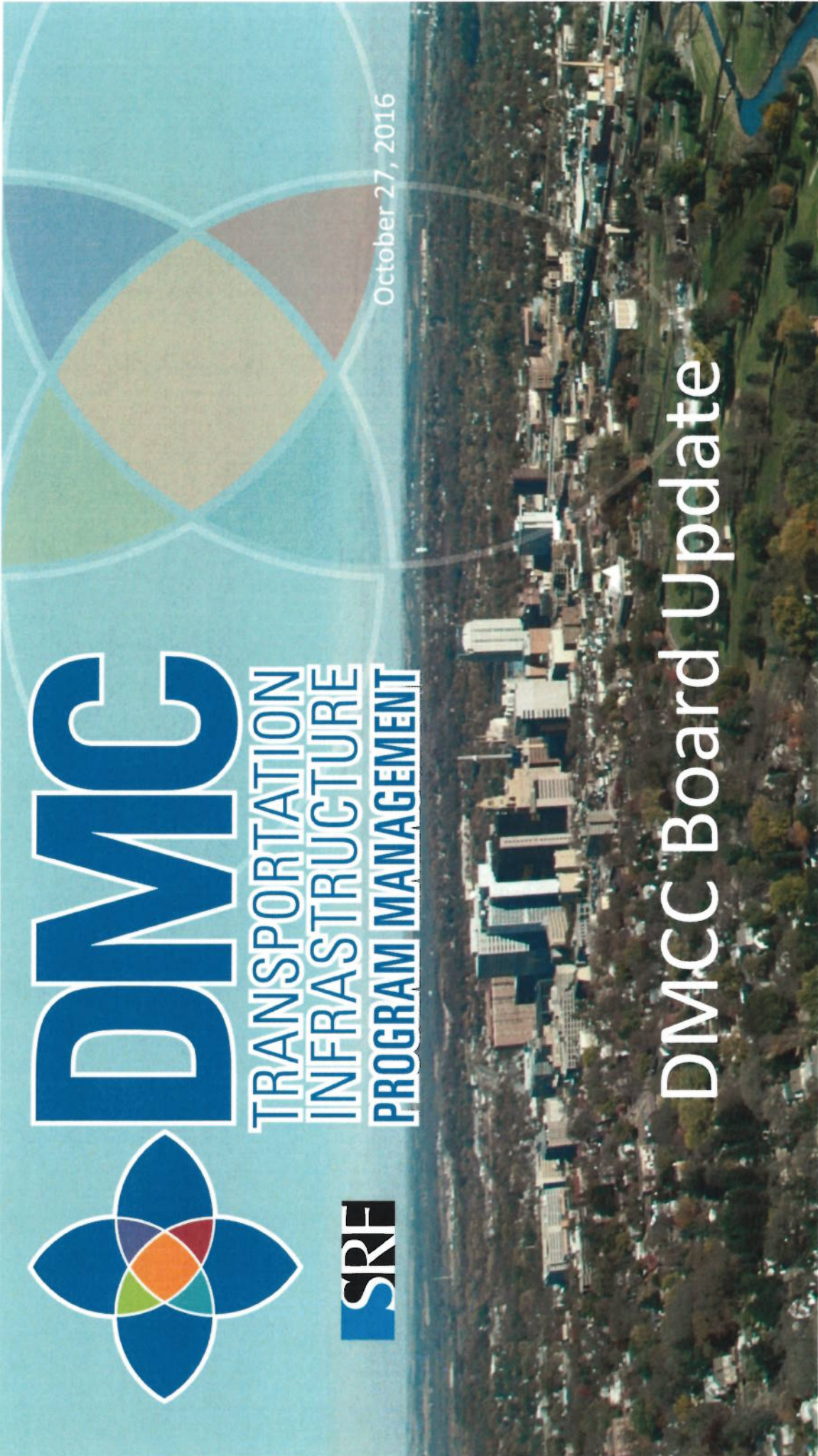
DMG

TRANSPORTATION
INFRASTRUCTURE
PROGRAM MANAGEMENT



October 27, 2016

DMCC Board Update





DMC Transportation Principles

1. Make it **easy, affordable and convenient** for people from Southeast Minnesota and around the world to get to downtown Rochester.
2. Bring **30%** of the workforce to downtown Rochester on **Transit** by 2035.
3. Create a **Park-Once downtown** environment connected by a frequent **downtown circulator**.
4. Build **shared-parking** prioritized for economic development.



DMC Transportation Principles

5. Create world-class **streets, designed for people.**
6. Create an exceptional place for **healthy, human-powered transportation.**
7. Form a downtown Rochester access authority.
8. Invest in sustainable transportation infrastructure and programs that **reduce the ecological footprint** of the City.



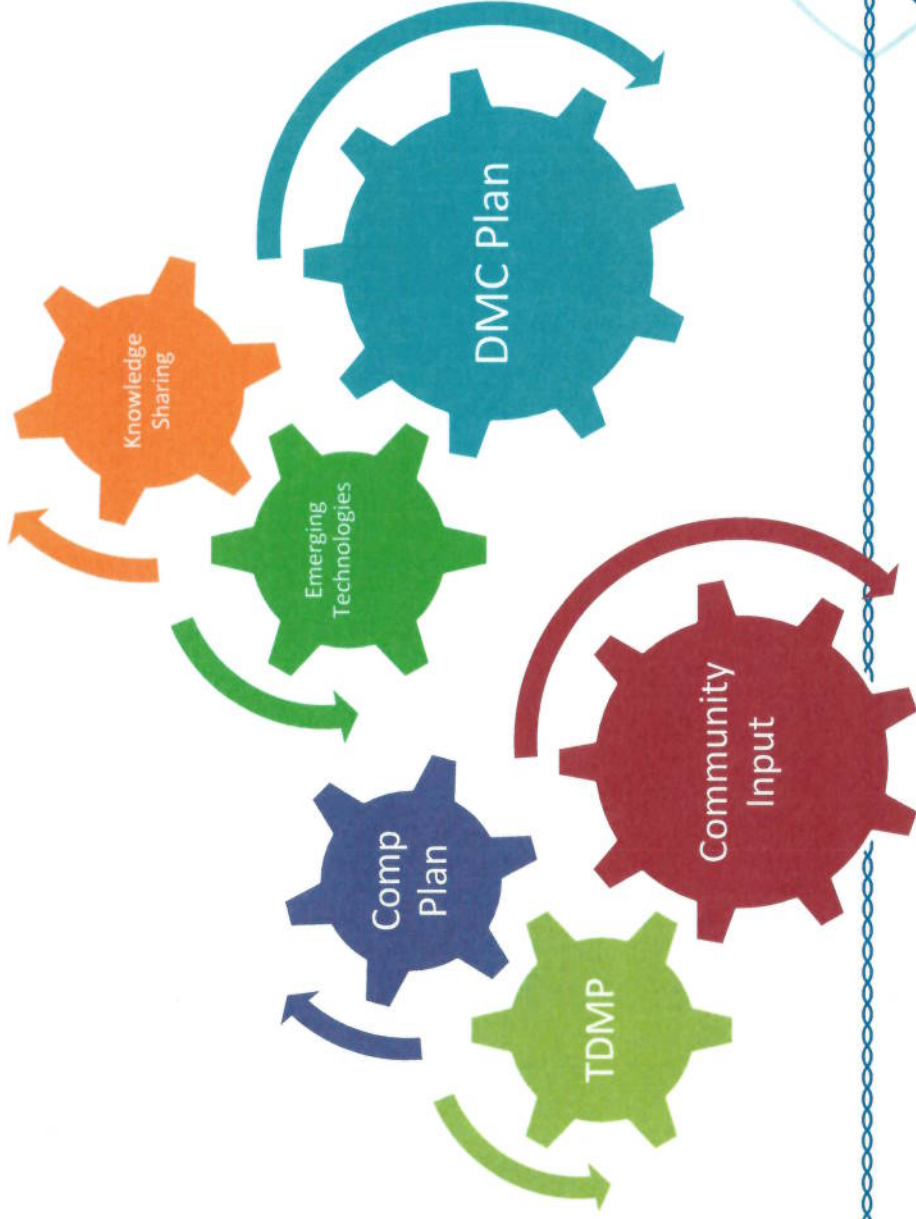


DMC Transportation Principles

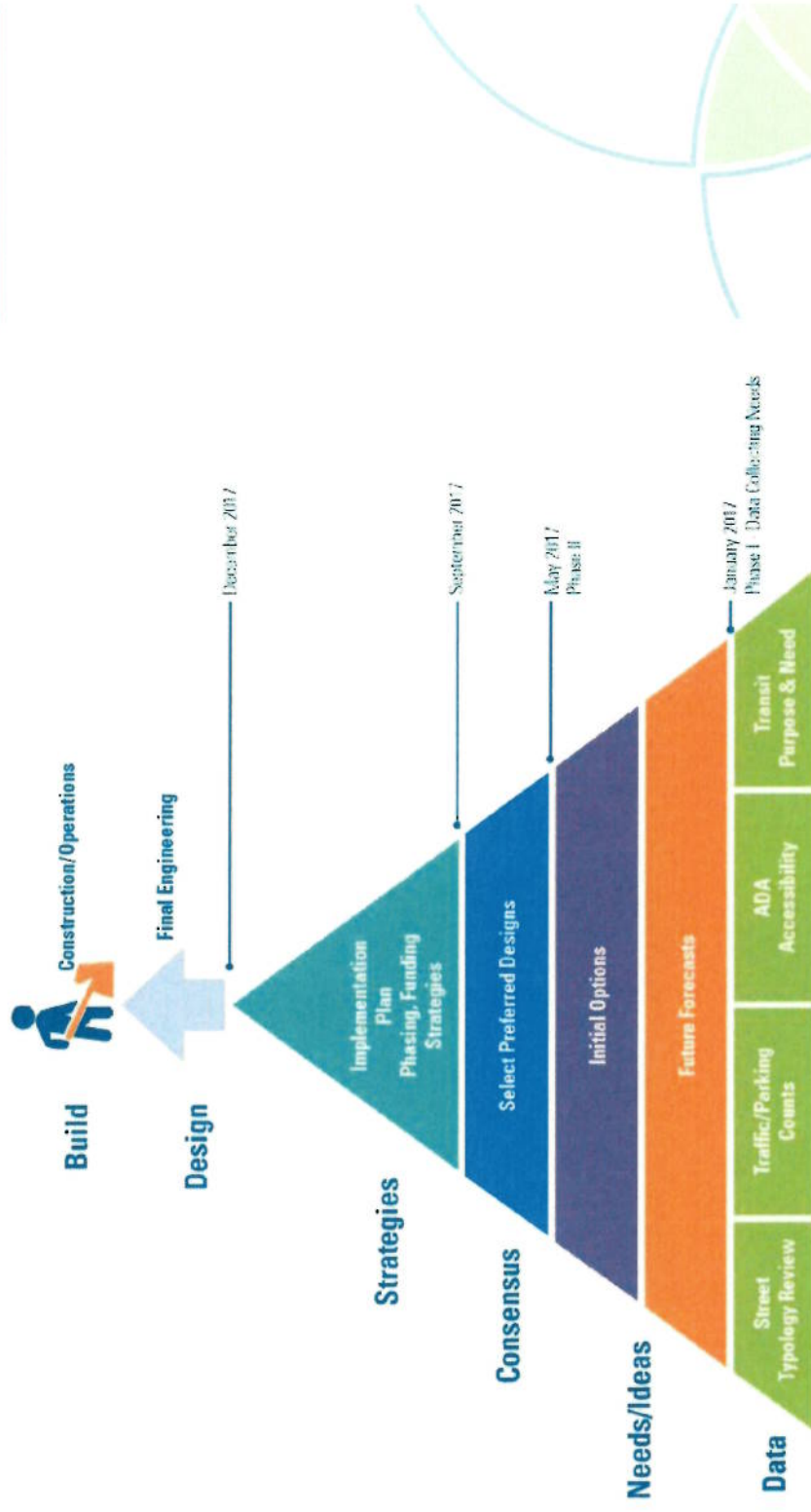
9. Use DMC funding to **leverage public and private** transportation infrastructure funding.
10. Establish and maintain a transportation network that is **accessible and inclusive to people of all ages, abilities and states of wellness.**



Complex Interactions

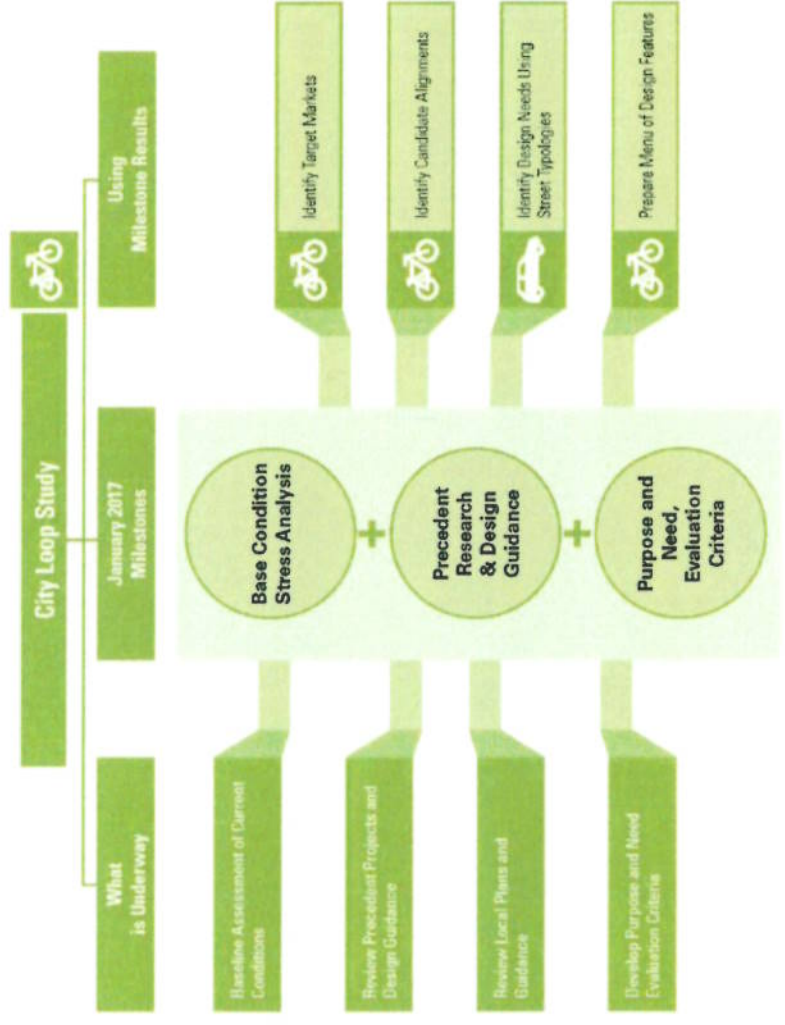


Study Pyramid



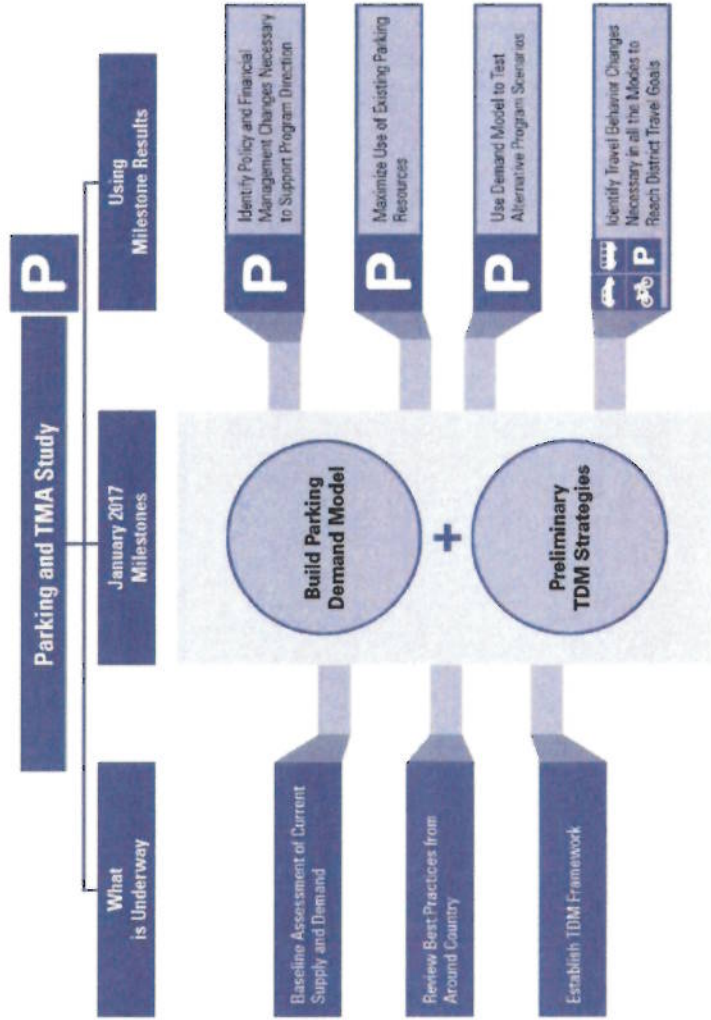


City Loop Study

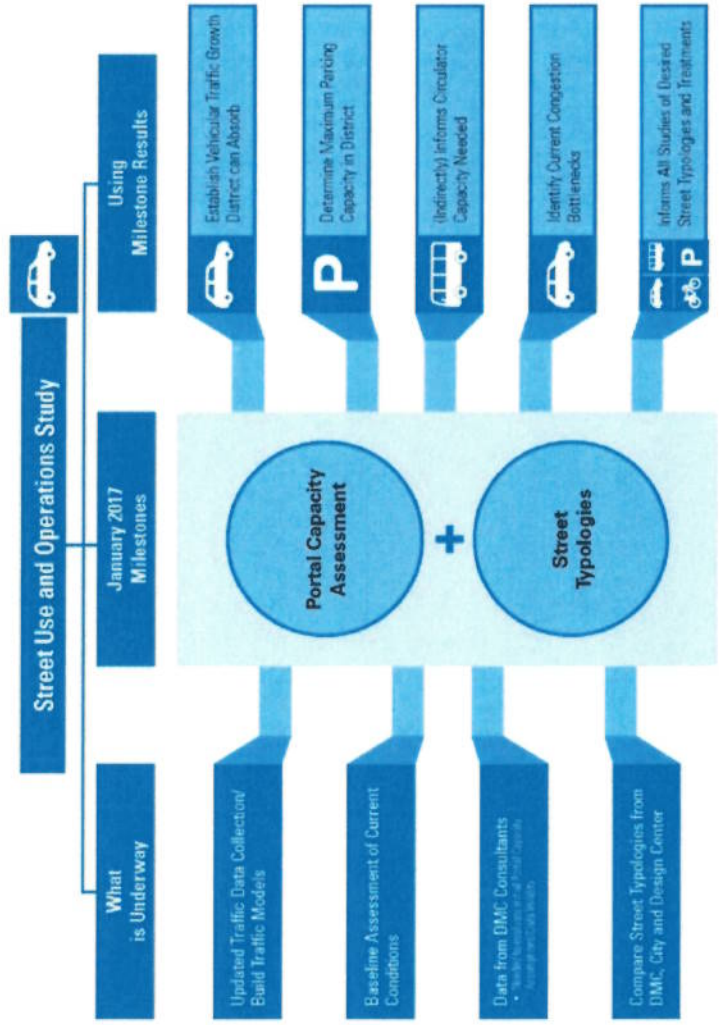




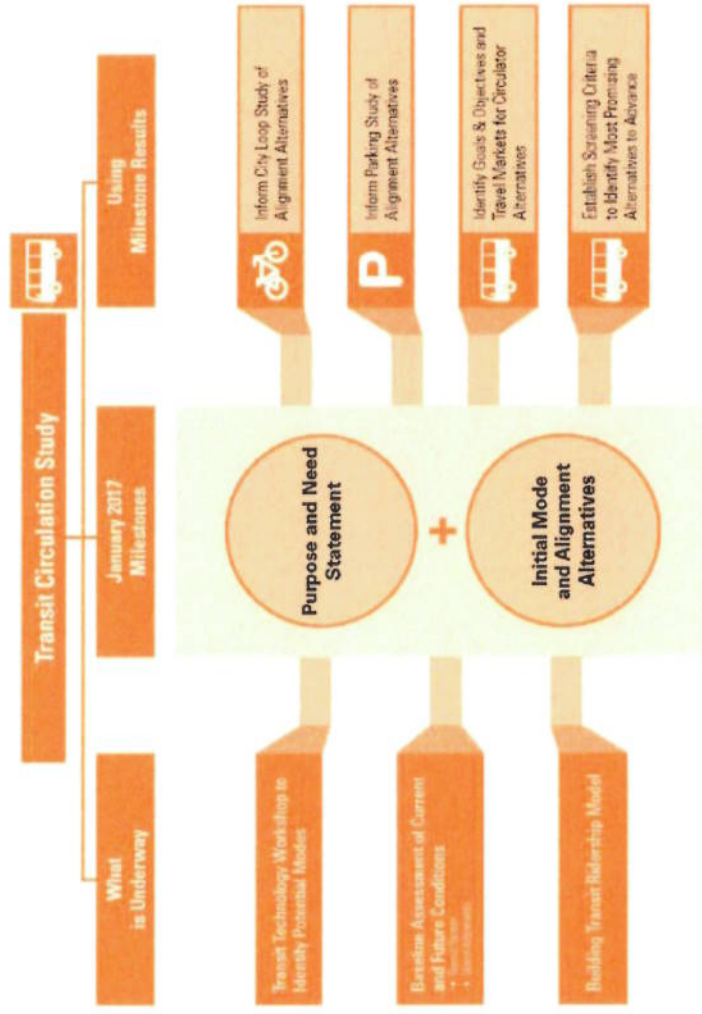
Parking and TMA Study



Street Use and Operations Study

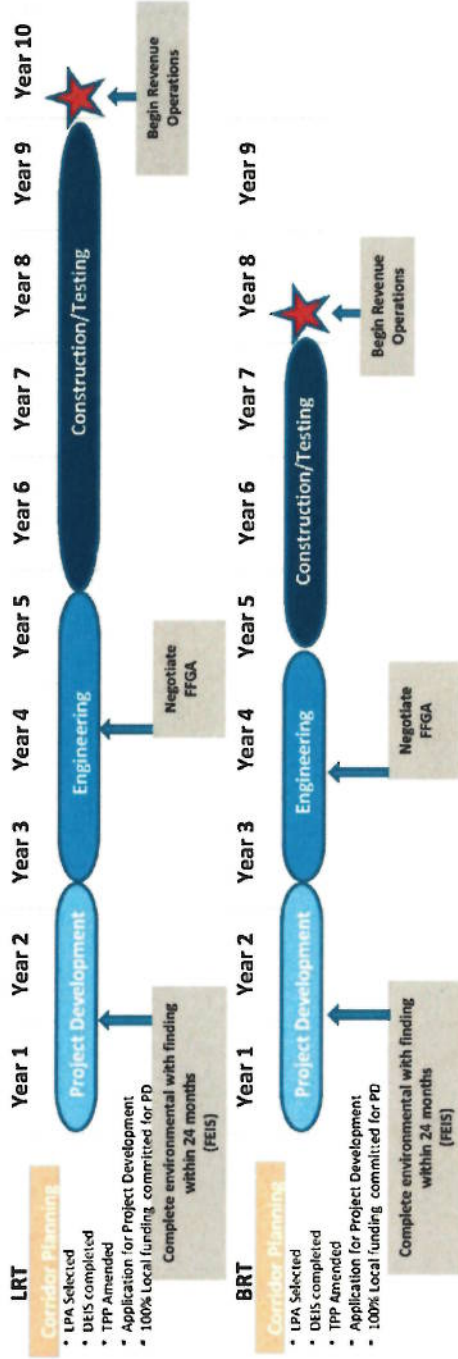


Transit Circulation Study



New Starts Phases

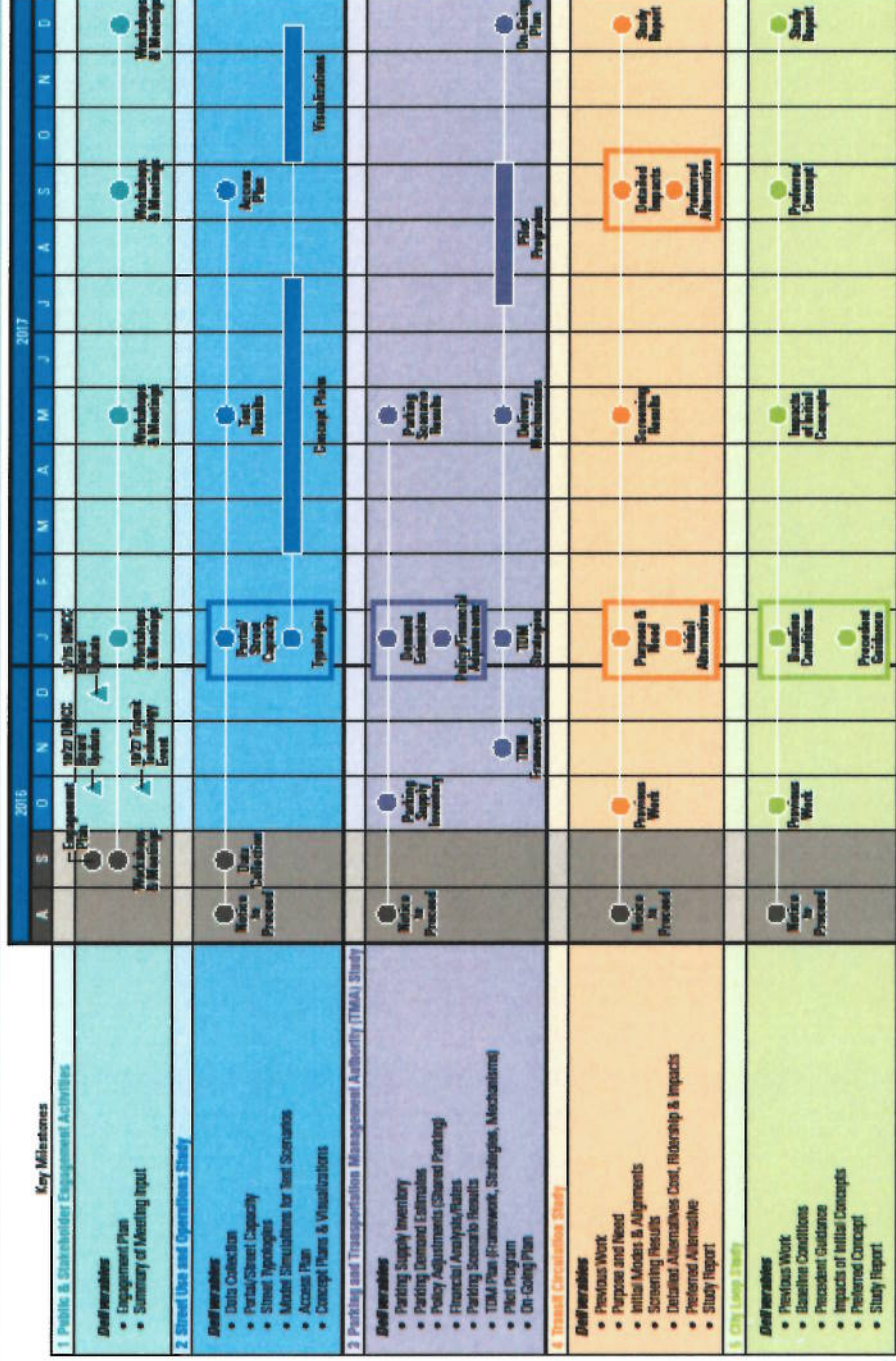
New Starts Typical Duration of Implementation Phases



Small Starts Typical Duration of Implementation Phases



Milestones & Deliverables



Transit Technology Workshop

Transit Circulation Study

October 27, 2016

12:30 PM to 4:00 PM

Rochester Civic Center

- 12:30-12:40 1. Welcome and Introductions, Richard Freese
- 12:40-12:45 2. Purpose of Workshop, Mona Elabbady
 - a. Review Potential Technologies
 - b. Discuss Possible Applications for Rochester
- 12:45-1:05 3. Technology Overview: Skyway Express, Mike Lester, Jeff Olson
 - a. Examples of Current Applications
 - b. Physical and Operational Characteristics
 - c. Strengths and Weaknesses
- 1:10-1:30 4. Technology Overview: Transit X, Mike Stanley (Virtual Presentation)
 - a. Examples of Current Applications
 - b. Physical and Operational Characteristics
 - c. Strengths and Weaknesses
- 1:35-1:55 5. Technology Overview: Monorail, Schwager Davis
 - a. Examples of Current Applications
 - b. Physical and Operational Characteristics
 - c. Strengths and Weaknesses
- 2:00-2:20 6. Technology Overview: Elevated Guideway, Dick Olen
 - a. Examples of Current Applications
 - b. Physical and Operational Characteristics
 - c. Strengths and Weaknesses
- 2:20-2:30 Break
- 2:30-2:50 7. Technology Overview: Autonomous Vehicles, Ben Pierce
 - a. Examples of Current Applications
 - b. Physical and Operational Characteristics
 - c. Strengths and Weaknesses

- 2:50-3:10 8. Technology Overview: Tram, Doug Moore
 - a. Examples of Current Applications
 - b. Physical and Operational Characteristics
 - c. Strengths and Weaknesses
- 3:10-3:25 9. Technology Overview: Bus Rapid Transit (BRT), Doug Moore
 - a. Examples of Current Applications
 - b. Physical and Operational Characteristics
 - c. Strengths and Weaknesses
- 3:25-3:35 10. Technology Overview: Bus, Doug Moore
 - a. Examples of Current Applications
 - b. Physical and Operational Characteristics
 - c. Strengths and Weaknesses
- 3:35-4:00 11. Discussion/Next Steps, Doug Moore
 - a. Evaluation Process
 - b. Schedule
 - c. Questions

Additional Transportation Studies Materials

DMC TRANSIT/TRANSPORTATION STUDIES 2016-2017

RATIONALE FOR ALL TRANSPORTATION/TRANSIT STUDIES: to advance the transit, transportation, parking, city loop concepts presented in the visionary DMC Development Plan to potential implementation. Undertake the studies necessary to advance those concepts to a rigorous assessment of alternatives for vehicular, transit, pedestrian and bicycle travel at a level of detail needed to generate confidence to approve future capital infrastructure projects and to satisfy the requirements for federal and/or state funding consideration. These studies will enable the DMCC and the City to make the major decisions needed on the specific capital projects and their long-term operating costs implications. The need for these additional studies to reach the project construction and implementation phase was referenced in the DMC Development Plan and also in City Council resolution which granted approval to the DMC Development Plan.

Integrated Transit Study Description and Cost.

1. Transit Circulation study. The approved 2016 cost was \$538,535. The proposed 2017 cost is \$1,452,997. Total cost equals \$1,991,532. The lead consultant firm is HDR. This study will identify the preferred transit mode and route for the transit circulator. It will also outline the appropriate actions to integrate the circulator with all other local and regional modes of travel including pedestrians, bicycles, public and private transit services, and cars.
2. Parking and Transportation Management Authority study. The approved 2016 cost was \$200,000. The proposed 2017 cost is \$1,611,854. The total cost is \$1,811,854. The lead consultant firm is Kimley-Horne and Associates. This study will determine the existing parking supply and demand and future parking needs. It will also address how to maximize the utilization of existing and future parking resources, including a transportation management authority. The ultimate outcome of the proposed parking and TMA studies will be to evolve the current parking management programs from their parking focus and to envision and define a broader access management program that will have a more comprehensive scope and function that focuses on access by all modes, rather than temporary vehicle storage.

3. Street Use and Operations study. The 2016 approved cost was \$775,465. The proposed 2017 cost is \$2,092,243. Total cost is \$2,867,708. The lead consultant is SRF. This study is intended to fully define street concepts that will be implemented as part of the downtown development effort and to test how those concepts will perform as development progresses. There are five main components of the study:
 - Data Collection
 - Travel Model Development and Testing
 - Operational Analysis of Modes and Configurations
 - Concept Designs
 - Visualizations

4. City Loop study. The 2016 cost was \$200,000. The proposed 2017 cost is \$759,938. The total cost is \$959,938. The lead consultant firm is SEH, Inc. The city loop will be a bicycle route around downtown Rochester and will tie into the existing trail network and other proposed bicycle routes. The city loop will offer connections to each DMC district and connect visitors residents and workers to culture, entertainment and nature.

Additional information on the overall rationale and need for these studies and detailed information on each of the studies is attached.

ADVANCING THE DESTINATION MEDICAL CENTER VISION DMC TRANSPORTATION REFINEMENT STUDIES

What is Proposed?

To advance the transportation concepts presented in the DMC Vision four studies are proposed:

- *Downtown Transit Circulator & Operations Study*
- *Downtown Street Use & Operations Study*
- *Parking & Travel Demand Management Study*
- *City Loop Study*

To successfully and cost effectively manage the studies the work will be integrated under one coordinated planning effort to provide for the sharing of inputs, coordination of public involvement, and to insure that findings from each study are jointly considered across each realm of work.

Purpose of the Studies?

- The purpose of the studies is to refine work completed in the DMC Visioning process.
- The studies will include a rigorous assessment of alternatives for vehicular, transit, pedestrian and bicycle travel at a level of detail needed to generate confidence in selected projects.
- Key Questions include whether the concepts can work in the limited physical street space available, whether solutions are the best and most cost-effective use of public dollars, and whether the public is supportive of the significant reshaping envisioned of how downtown access and mobility service will be provided.
- Completion of the studies will position DMC partners to advance projects to design and procurement and will satisfy requirements for federal and/or state funding consideration.

What steps were completed in the DMC Development Plan?

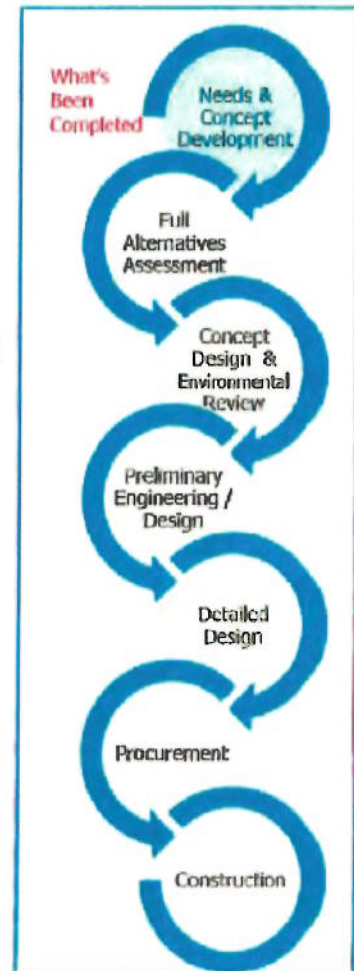
- The DMC Development Plan was a visionary document that presented a conceptual framework of how the downtown district could be developed in response to the significant economic development envisioned.
- The DMC Development Plan was based on a high level assessment of conceptual needs and feasibility; project alternatives were not fully

analyzed nor recommendations sufficiently defined to advance to the engineering phase.

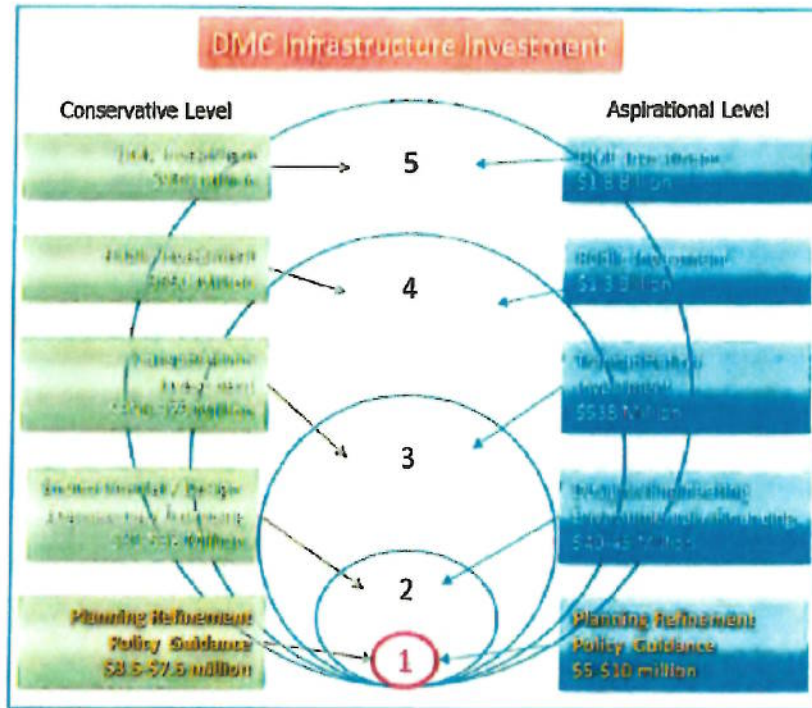
- The process to develop the vision moved very quickly and did not include sufficient time or opportunity for local stake-holders and the public to fully review.
- The project identified policy questions that will need to be further considered as projects advance and required state and federal funding processes are completed.

Given the potential scope of change and scale of public investment anticipated, what level of additional project development and design fees can be expected?

- The DMC Plan identified an aspirational infrastructure investment level of \$1.8 Billion supported by up to \$1.3 Billion in public funds
- Local fiscal limitations and the competitive nature of securing federal grants brings into focus whether this level of public funding can realistically be realized; what is known is there will be \$585 million in DMC funding with some level of federal funding and additional developer funding, possibly reaching \$900 Million for public infrastructure
- The aspirational level of public investment in transportation was an estimated \$538 Million with an additional \$715 Million in parking costs, of which 40% was publicly funded. A more realistic estimate of funding for transportation not including parking is \$325-\$375 Million.



- To get from the concept development phase to a construction project, it is typical to expend the equivalent of about 10% of the project investment on planning and design, which would equal a range of about \$35-\$50 Million for transportation system improvements.
- The front end planning work to fully assess alternative concepts sufficiently and identify the best cost feasible project typically requires about 1-2% of projected investment, or an estimated \$5 to \$10 Million for the proposed DMC work



With as much as \$285 Million expected to come from Federal funds, specific process steps need to be followed, none of which have been completed to date.

How much time is needed to complete the studies?

- The study work proposed could be completed in 18 to 24 months.
- This work provides the foundation on major roadway or transit projects that typically require 6 to 10 years from concept to construction.

What Key Questions must these studies address?

- The studies are designed to complete the detailed assessment of potential street, transit and pedestrian alternatives needed to satisfy transportation needs and meet mode shift goals in the DMC District so projects can advance to engineering/design and implementation.
- The process will follow state and federal project development steps to keep all funding options open.
- The Downtown Circulator and Transit Operations study will follow specific steps needed to insure eligibility for federal funding including:
 - completion of a federally compliant alternatives analysis of options and routes for a circulator

- operational assessment of changes to regional and local transit services;
- broad public involvement
- Benefit/Cost & Impact assessment

- The Downtown Street Use & Operations study will look at street space reallocation determine if the proposed mix of lane reductions, turn restrictions, street closures, pedestrian facilities and mixed traffic operations is feasible to provide balanced vehicular, transit and pedestrian/bike service.

- The Parking and Travel Demand Management Study is critical to the success of the multi-modal vision for the DMC District. It will focus on the location and management of district parking, which is tied to successful deployment of the Circulator, as well as how that demand can be minimized through measures that encourage and incentivize reduced private vehicle demand.
- The City Loop Study will refine this signature placemaking and livability feature that knits together all the DMC districts. This requires concept verification with stakeholders to resolve potential impacts from traffic flow changes, on-street parking loss, changes in right-of-way utilization and bike-pedestrian-vehicle conflicts.



TRANSPORTATION PRINCIPLES FOR THE DMC

1. Make it easy, affordable, and convenient for people from Southeast Minnesota and around the world to get to downtown Rochester.
2. Bring 30 percent of the workforce to downtown Rochester on transit by 2035.
3. Create a park-once downtown environment connected by a frequent downtown circulator.
4. Build shared-parking prioritized for economic development.
5. Create world-class streets, designed for people.
6. Create an exceptional place for healthy, human-powered transportation.
7. Form a downtown Rochester access authority.
8. Invest in sustainable transportation infrastructure and programs that reduce the ecological footprint of the City.
9. Use DMC funding to leverage public and private transportation infrastructure funding.
10. Establish and maintain a transportation network that is accessible and inclusive to people of all ages, abilities, and states of wellness.

Citations in the Council Resolution Approving the DMC Development Plan

**THE COUNCIL
RECOGNIZED THE
FOLLOWING
FINDINGS MADE BY
THE PLANNING
COMMISSION**

1. The Plan is limited to a conceptual framework for physical development, transportation solutions and financing. It does not change public policy, procedures, or the City's comprehensive plan. It does not commit entities to financial contributions outside of those specified in the DMC Law. It does not establish zoning or prescriptive land use limitations, or Rochester Common Council-approved zoning or development policies. It does not determine the design of integrated transportation, parking and land use solutions. These solutions will be determined following further study and analysis, and may find their way into the City's comprehensive plan update.

5. Comprehensive and coordinated transportation solutions will need to be defined, committed to, and strategically implemented by public and nonpublic partners. Additional studies should be pursued in Phase I since resolution and movement on these items is needed to support anticipated growth. Though the Plan includes proposed routes, types of transit modes, and station locations, further study is needed before those details can be determined and evaluation of options that best serve the City's needs will need to be considered

6. Investments identified in Phase I that are intended to implement transit improvements or other investments that require further study should be postponed until after completion of further study that verifies routes, modes, design needs, etc. Proceeding with physical infrastructure changes in advance of project refinement study could result in unnecessary delay during final implementation or major expenditures without verification that they are needed.

9. It is recommended that a number of studies and analysis will need to be undertaken to carefully and prudently move forward with consideration of the proposed transportation plan and alternatives for streets, transit and parking in the DMC project area. Among the questions to consider with the Plan is whether the integrated transit and parking system as proposed is the best and most cost-effective system for the City, whether this system and the city-wide land use vision that evolves from the City's comprehensive plan update are mutually reinforcing, and whether there are changes that could improve the Plan or alternatives that may provide better options for the community. These studies should include a transit/street capacity system study, a downtown parking and Park & Ride needs study, a downtown access authority study, a City Loop/Cultural Crescent implementation study, a capital projects and investment study, and a policy and ordinance study.

TOTAL COST \$ 1,991,532

2017 COST \$ 1,452,997 INCLUDED ABOVE

TRANSIT CIRCULATION STUDY

June 23, 2016

TRANSIT STUDY (18621)

INTRODUCTION

The Destination Medical Center Development Plan completed in 2015 identified a wide variety of potential improvements in the downtown area to enhance the competitive stature of the region and improve the quality of life. This plan included a transit circulator concept that would knit the various parts of the downtown plan together. The Integrated Transit Studies will identify the preferred transit mode and route for the transit circulator. It will also outline the appropriate actions to integrate the circulator with all other local and regional modes of travel including pedestrians, bicycles, public and private transit services, and cars.

KEY DELIVERABLES/OUTCOMES

- Purpose and Need Document
- Initial Alternatives and Tier 1 Screening Results
- Definition of Detailed Alternatives
- Downtown Station Concepts
- Tier 2 Evaluation and Preferred Alternative Recommendation
- Implementation Plan
- Final Report

MAJOR STUDY TASKS

HDR Team approach for the Integrated Transit Studies includes five major steps identified below.

1. Establish the community goals for the circulator
2. Develop preliminary alternatives to address those goals
3. Evaluate the preliminary alternatives and select a handful of options for detailed analysis
4. Develop detailed alternatives
5. Evaluate detailed alternatives and recommend preferred project

The scope of the technical analysis will depend upon the goals established by the Working Group. Based upon other similar studies, it is likely that the analysis will include, but not be limited to:

PROJECT STAFF SUMMARY

HDR, INC.

- Douglas Moore, AICP: Project Manager
- Kim Slaughter, AICP: Technical Advisor, FTA liaison, governance, implementation

- Jim McConnell, AIA: Lead Architect, guideway and transit center conceptual design
- Luke Olson, PE, Senior Engineer: Guideway analysis and costing
- Tim Burkhardt, AICP, Senior Transportation Planner, alternative analysis
- Tom Shook, Transit Operations Specialist
- Eric Rouse, AICP: Financial and funding analysis

KIMLEY HORN AND ASSOCIATES

- Jeanne Witzig, AICP: Environmental Manager

STONEBROOKE ENGINEERING, INC.

- Kelly Besser, PE: Utility analysis
- Ron Beson, PE: Structural engineering

SRF CONSULTING GROUP, INC.

- Mona Elabbady: Project Coordinator

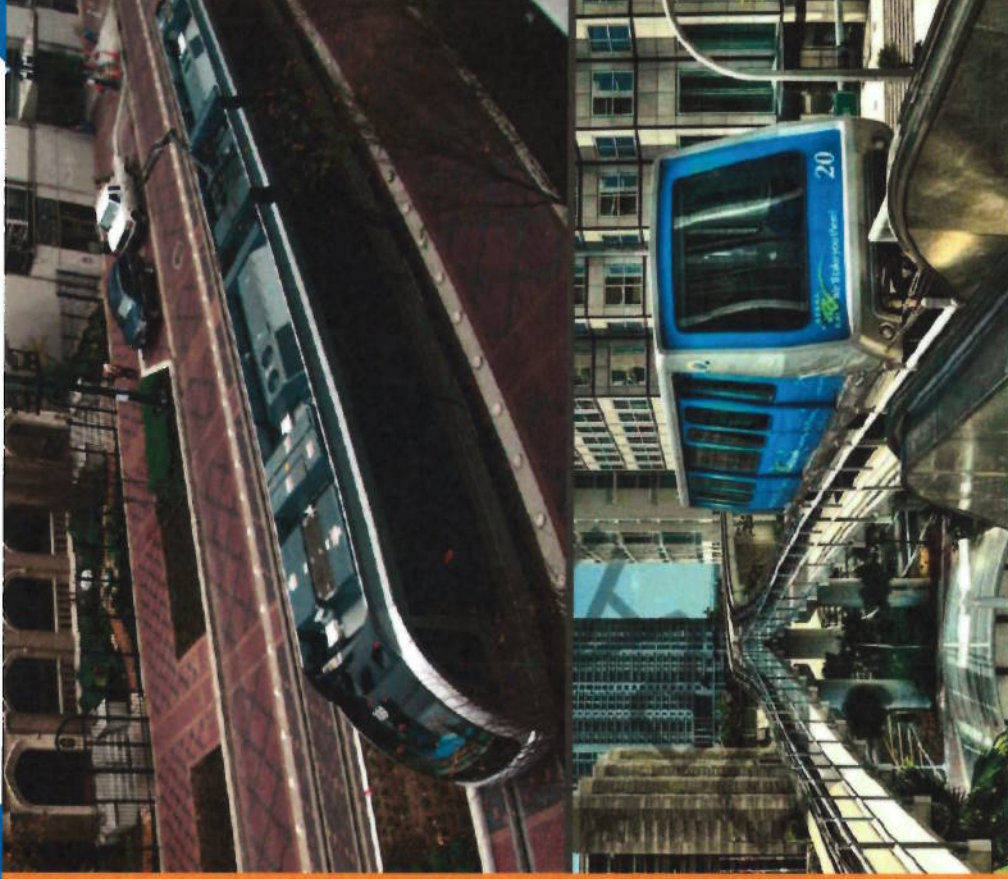
Transit Circulation Study Needs

Work Completed in DMC Study

- Established a vision for reducing private vehicle travel downtown while greatly enhancing the pedestrian environment and public realm through greater use of transit services
- Recommended long term, low turnover parking be shifted to locations outside the district with access provided by a transit circulator and express bus
- Shift long term, low turnover parking to locations outside of the district and provide access with a transit circulator and express bus
- Considered alternative transit modes for the circulator at a system planning level
- Recommended a streetcar circulator for illustrative purposes acknowledging considerable study would still be needed
- Suggested significant downtown changes to the routing and hub location functions for regular city bus service
- Concluded local transit ridership would need to grow by 400% and regional transit by 250% to reduce downtown vehicle travel to acceptable levels
- Suggested \$90 million in non-DMC local City funding would be needed for transit system development, significantly above the historic average level of local city funding of about \$2.5 million per year

Key Work in Proposed Study

- Study transit proposals / changes at a level of detail needed for the city to enter a Federal Transit Administration project development process
- Analyze the operations of a streetcar or high capacity bus rapid transit in mixed traffic versus a dedicated transit lane
- Complete any required environmental review needed if federal or state funds are to be utilized for construction of transit improvements
- Address the impact of shifting bus hub operations to 3rd / 4th Ave West on Mayo operations and access for patrons in the east half of downtown
- Analyze the impact of combined circulator operations and parking ramp access on streets and adjacent properties in business areas or neighborhoods at the edge of downtown
- Address the potential ramifications that a system of downtown fringe parking linked with a circulator may have on utilization of local bus service
- Address the issue of where to relocate regional commuter bus drop-off and layover parking



TOTAL COST \$ 1,811,854

2017 COST \$ 1,611,854 INCLUDED ABOVE

PARKING & TRANSPORTATION MANAGEMENT AUTHORITY STUDY

June 23, 2016

PARKING & TRANSPORTATION MANAGEMENT ASSOCIATION (TMA) STUDY (J8618-22)

INTRODUCTION

The ultimate outcome of the proposed Parking and TMA Studies will be to evolve the current parking management programs from their parking focus and begin to envision and define a broader "access management" program that will have a more comprehensive scope and function that focuses on access by all modes, rather than temporary vehicle storage. The objective will be to create an environment that encourages access by all modes including private auto, transit, active transportation and shared mobility strategies as well as transportation demand management (TDM) programs. In addition, advanced planning and community educational resources will be developed to enhance the awareness of available transportation choices and improve the overall downtown experience for all citizens and employees of and visitors to Rochester.

The initial recommended Strategic Plan Vision and Framework is summarized as moving from a "parking to integrated access management". The new program that will emerge from this planning work will encourage the Rochester community to embrace a wide range of mobility management options to mitigate parking demand overall while enhancing and improving transportation options for all travelers. The new program will also be forward looking and will attempt to envision and incorporate, to the degree feasible, emerging technologies (such as the autonomous vehicles) and the creative application of new strategies (such as shared mobility platforms).

KEY DELIVERABLES/OUTCOMES

- Existing parking supply and demand
- Future parking needs
- Parking and access demand scenario development and evaluation
- Maximize Utilization of Existing Parking Resources
- Economic Development and Financing Strategies
- Zoning and Parking Requirements Alignment with Growth and Mobility Vision
- TDM Plan
- TDM Delivery Model (TMA or Alternative) and Work Plan
- TMA Management and Transition Plan

MAJOR STUDY TASKS

1. Conduct a Parking and TDM current program assessment and Best Practices Review

2. Data Collection, Parking Supply/demand analysis / Demand Modeling – (Park+) and Future Parking Needs assessment / Alternatives Analysis
3. Assess and Maximize Utilization of Existing Parking Resources
4. Strategies to Leverage parking and Mobility Management Options as Tools for Economic Development and Future Parking Garage and TDM Initiative Financing Strategies
5. Align Zoning and Parking Requirements with Growth & Mobility Vision
6. Development of a TDM plan
7. Development Regulations to Support TDM
8. Development of a TDM Delivery Model (TMA or Alternative) and Work Plan
9. Create a TDM Pilot Program
10. TDM Program Start Up
11. TMA Management and Transition
12. Project Management and Coordination
13. Draft and Final Reports

PROJECT STAFF SUMMARY

KIMLEY-HORN AND ASSOCIATES

- L. DENNIS BURNS, CAPP - PROJECT MANAGER
- DAN COYLE, P.E. – DEPUTY PROJECT MANAGER
- VANESSA SOLESBEE – PARKING/COMMUNICATIONS SPECIALIST
- DAVE ALBERSMAN – PARKING DESIGN SPECIALIST
- BRETT WOOD, P.E., CAPP – SUPPLY/DEMAND MODELING
- ADRIA KOLLER, P.E. – ANALYST
- TED RITSCHARD, P.E. - PLANNER

URBANTRANS

- JODDIE GRAY – LEAD TDM/TMA PLANNER
- MATTHEW KAUFMAN – TDM/TMA SURVEY AND ANALYSIS LEAD
- AARON GAUL – TDM/Behavior Change Marketing Lead

NELSON NYGAARD

- DAVID FIELDS – PROJECT ADVISOR
- THOMAS BROWN – PROJECT ADVISOR

MOBILITY MANAGEMENT ASSOCIATES

- JOSH KAVANAGH, CAPP – PARKING AND TDM SPECIALIST

SRF CONSULTING GROUP

- CRAIG VAUGHN – PROJECT COORDINATION/ADVISOR

Parking - Travel Demand Management Study Needs

Work Completed in DMC Study

- Recommended a comprehensive program to manage the demand for downtown vehicular access
- Recommended a strategy to influence and reduce that demand involving two major elements:

Parking Management: provide the least amount of parking needed to support the DMC District by making the most efficient use out of every space built

Transportation Demand Management (TDM): provide supportive programs for employers, workers and visitors that effectively communicate information about travel options and encourage/facilitate the use of options to private vehicle travel in and around downtown

- Supported the need for a **Transportation Management Organization (TMO)**
- Identified important goals, responsibilities and outcomes for a TMO
- Identified key objectives for the parking / TDM program to achieve including:

Suggested Parking and TDM be jointly managed through an Access Authority

Shift at least 50% of long term parking customers to locations outside the district

Create 6,000 to 8,000 spaces at the edge of the district and about 4,000 park & ride spaces nearer the edge of the city for long term parking users

Establish use of **Shared Parking** to facilitate the efficient joint use of parking

Unbundling Parking costs from housing or commercial rents

Consider use of **Payment in Lieu Parking Fees** to reduce provision of site-specific parking



Key Work in Proposed Study

- Relative to Parking Management
 - Quantify parking demand by user markets / Mayo market
 - Identify when a circulator service / peripheral parking should be implemented
 - Identify whether a circulator should be phased in as a lower cost bus service before transitioning to higher cost rail or elevated service
 - Identify locations and actions to reserve sites for reservoir commuter parking
 - Identify actions needed to implement key parking policies
 - Consider whether large investment in early phases in the parking supply in early years is an appropriate strategy
- Relative to a Transportation Management Organization
 - Resolve the preferred organizational structure for a TMO and how to interface with Mayo's existing TDM Program
 - Develop buy-in from existing property owners regarding travel demand management and parking program approaches
 - Expand the level of coordination and deployment of TDM strategies across many diverse interests in the District
 - Determine how responsibilities for TDM programs would be divided between the TMO and individual business or property interests

TOTAL COST \$ 2,867,708

2017 COST \$ 2,092,243 INCLUDED ABOVE

STREET USE AND OPERATIONS STUDY

June 17, 2016

STREET USE AND OPERATIONS STUDY

INTRODUCTION

This study is intended to fully define street concepts that will be implemented as part of the downtown development effort and to test how those concepts will perform as development progresses. There are five main components of the study:

1. Data Collection
2. Travel Model Development and Testing
3. Operational Analysis of Modes and Configurations
4. Concept Designs
5. Visualizations

DATA COLLECTION: The data collected will be used to develop baseline traffic volumes for pedestrians, transit, vehicles, and bicyclist for use in SRF's traffic forecasting as well as to supplement base map information for concept planning and design which will be completed by other consultants.

The outcome of the data collection is to ensure all studies and consultants are using the same data. Data collection will include additional traffic volumes and specific information related to transit, pedestrian and bike movements. Other data collected will include drop off and delivery areas to analyze existing and future operations as they relate to business street usage.

TRAVEL MODEL DEVELOPMENT: The main objective of the proposed Traffic Forecasting and Base Modeling component will be to develop traffic forecasting models to generate trips for all modes of travel, including vehicles, transit ridership, pedestrians, and bicyclists within the downtown study area. Through development of a Dynamic Traffic Assignment (DTA) model, this study will determine how vehicles are expected to route through the study area based on expected origin-destination, congestion, and travel time.

Existing and future peak hour traffic volumes developed from the forecast models will be inputted into a base model for distribution to the team. This study will work in close coordination with the Parking and TMA study, City Loop Study, and Transit Circulation and Operations Study to determine how changes to the land use, parking, transit, and/or roadway infrastructure network will impact traffic volumes.

OPERATIONAL ANALYSIS: The purpose of the Transportation Simulation Modeling component is to develop a framework for evaluation of street use concepts, including transit, bicycle/pedestrian, and vehicle users. The framework, along with the forecasts and base simulation models developed by SRF, will be used to analyze the feasibility and ultimately the multimodal LOS for the street use concepts. The analysis in this task will use the roadway concepts developed by the Stantec and AECOM teams, City Loop concepts developed by that study team, Parking concepts development by that study team, and Transit concepts developed by that study team to produce a comprehensive set of person throughput

and LOS analysis. The analysis will inform the Stantec and AECOM teams, the City Loop team, the Parking team, and the Transit study team on the feasibility and operational benefits/impacts of each concept. The objective will be to develop a preferred street use concept for all modes that prioritizes pedestrians and transit in the downtown core, with vehicle access to parking locations outside the downtown core.

CONCEPT DESIGN: This component stitches together the planning/design aspect with urban design principles. This task will take the overall urban design framework and street typologies established during the concept planning phase and develop 15% to 20% conceptual layouts and typical sections. Planning level cost estimates will be prepared for each of the scenarios advanced to the concept design phase.

The concept designs will build upon the vision and recommendations reflected in the Street Typology and Preferred Access Plan that will be generated in the Concept Planning phase of work.

VISUALIZATIONS: The goal is to produce visuals that clearly show the framework for Rochester's future transit, parking, pedestrian, and trail system options, and produce imagery that generates interest and public support for future transportation/transit initiatives. Imagery will be developed in a tiered approach consisting of graphics at city, corridor and pedestrian scales.

Photo Simulations will be the main type of visual used at the Pedestrian Scale level. The simulations will illustrate the appearance and function of the proposed design concepts and allow viewers to compare existing and proposed conditions. Each photo simulation will be comprised of an existing and proposed photo incorporating concept design features. The visualization team will work with the designers to develop images reflecting the design intent of Rochester's future transit, parking, pedestrian, and trail system options. Items to be included in the proposed simulations include: transit amenities, landscaping/streetscape treatments, roadway improvements, plaza/open space additions, and pedestrians engaged in activities along the corridors.

KEY DELIVERABLES/OUTPUTS

- Street Typology/Complete Streets/Main Streets
- Concept Designs Evaluation
- Preferred Demo Project
- Traffic Volumes/ Models
- Transit Ridership Model
- Pedestrian/Bicycle Forecast Model
- Bridge Concept Designs

MAJOR STUDY TASKS

1. Data Collection
2. GIS Base Map Features
 - a. Field verification
3. Roadway Infrastructure
 - a. Survey study areas
 - b. Miscellaneous survey
 - c. Survey drop off area locations
 - d. Survey delivery area locations

4. Traffic volumes and counts
 - a. Conduct intersection turning movement counts
 - b. Conduct portal intersection counts including occupancy counts
5. Pedestrian and bikes
 - a. Conduct trail Intersection counts

TRAVEL MODELS

1. Conduct OD Analysis For Existing Vehicles Through Study Area
2. Re-Validation Of The ROCOG Model To Develop Horizon Year Daily Forecasts
 - a. Develop Trip Distribution And Trip Assignment
 - b. Identify Pinch Points
 - c. Develop A Base Synchro Model For Study Intersections
 - d. Conduct A High-Level Capacity Analysis At Study Intersections
3. Develop Small Area Model For Downtown Area To Determine Horizon Year Peak Hour And Daily Forecasts
 - a. Model Individual Blocks Within The Study Area, Including Parking Lots And Loading Generators
 - b. Develop Dynamic Traffic Assignment Model And Analyze For Up To 10 Scenarios
 - c. Conduct A High-Level Capacity Analysis At Study Intersections
4. Develop Transit Ridership Model
 - a. Estimate Changes In Transit Ridership Based On Geography
 - b. Develop Transit Ridership Estimates
5. Develop Pedestrian/Bicycle Forecast Model
 - a. Estimate Pedestrian and Bicycle Forecasts within the Study Area For Up To 20 Scenarios.

OPERATIONAL ANALYSIS

1. SUPPORT TO STREET USE STUDY

As part of the simulation task, Kimley-Horn will provide support and input to the following Street Use subtasks:

- o Data Collection – Review and provide input on data collection plan (methods, types of data, and locations). This will occur in the first 3 months of the study.
- o Base Models – Review and coordination with SRF in the development and validation of the base Synchro models
 - o Develop the base VISSIM models (41 total Intersections).
- o Concept Planning – Review and validate capacity/feasibility of preliminary concepts using Synchro models.

2. TRANSPORTATION SIMULATION

The goal of this task will be to develop a framework and criteria for the multimodal analysis and assessment of the parking, transit, City Loop, and street use concepts.

3. SUPPORT TO OTHER STUDIES

This task will also provide a supporting role to the work of the Parking/TMA, City Loop, and Transit studies.

4. UTILITIES

The purpose of this task is to coordinate DMC related street reconstruction with major utility infrastructure projects.

CONCEPT DESIGN

1. Data Collection
2. Street Typology (Complete Streets/Main Streets) and Corridor Profiles
3. Performance Measures
4. Concept Evaluation
5. Implementation Strategies
6. Identification of a Preferred Demo Project
7. Civil Concept Design
8. Bridge Concept Design
9. Prepare Planning Level Cost Estimates

VISUALIZATIONS

1. Coordination with design teams
2. Data Collection
3. Develop 3D models of proposed design elements
4. Support to planning phase of street use and operations study
5. Photo simulations for street use/operations, city loop and transit studies
6. 3D renderings for street use/operations, city loop and transit studies
7. 3D animations for the street use and operations study

PROJECT STAFF SUMMARY

DATA COLLECTION CONSULTANT--WSB

- LEE GUSTAFSON, SR. PROJECT MANAGER
- MARK SEVERTSON, SURVEY MANAGER
- MARY SCHWARTZ, PROJECT MANAGER

TRAVEL MODEL CONSULTANT--SRF

- STEVE WILSON
- EMILY GROSS
- JACOB ASPLUND
- JOSH MAUS

OPERATIONAL ANALYSIS CONSULTANT: KIMLEY-HORN AND ASSOCIATES

- JONETTE KUHNAU, P.E. – TRAFFIC ENGINEER
- DAN COYLE, P.E. – UTILITY ENGINEER
- JUSTIN SEBENS – TRANSIT PLANNER
- ASHLEY PAYNE – GIS SPECIALIST

CONCEPT DESIGN CONSULTANTS: STANTEC AND AECOM

- MIKE RUTKOWSKI, P.E., AICP
- TASK MANAGER – MARK RYAN
- CIVIL LEAD – MATT FORSYTH
- BRIDGE DESIGN LEAD – VARTAN SAHAKIAN

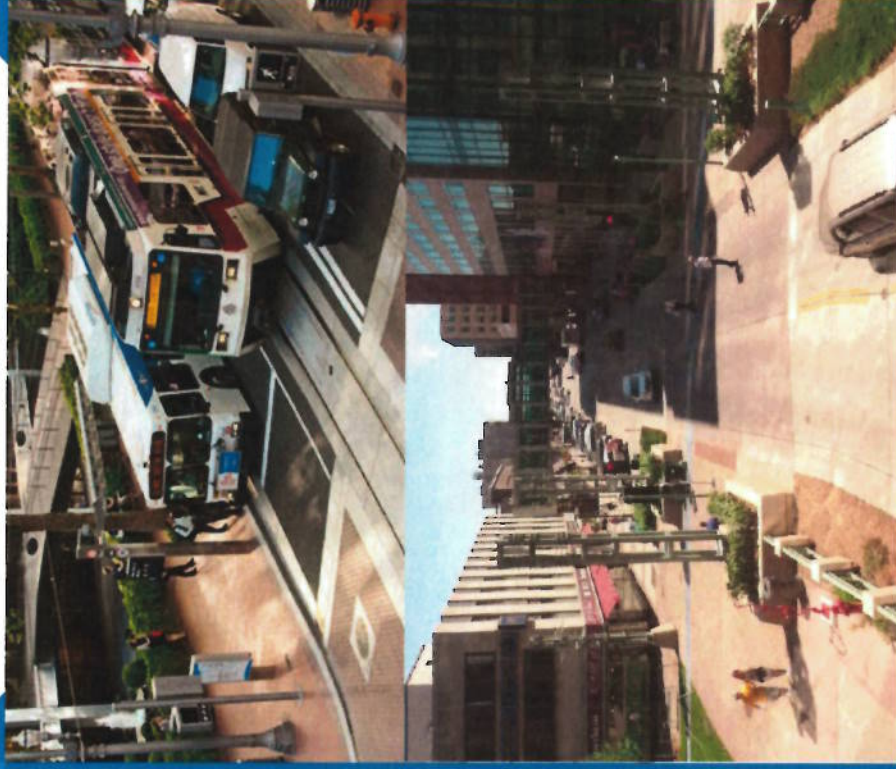
VISUALIZATION CONSULTANT: AECOM

- Visualization Lead – Andrew Jones
- VISUALIZATION SUPPORT – KATHRYN RYAN

Street Use Study Needs

Work Completed in DMC Study

- Established that considering how to efficiently move **persons** rather than **vehicles** should be the guiding principle for the district
- Recognized that significant urbanization of the downtown core will require greater accommodation of non-auto travel modes
- Generally envisioned a priority of pedestrians first, then transit service, then bicyclists and lastly general vehicle traffic on many downtown streets
- Specifically envisioned certain streets where priority would be for transit use
- Based on transit and pedestrian priorities, conceptualized potential changes that would need to be made in lane configurations
- Recommended a strategic investment framework of core Priority Investment Streets and secondary Supportive Street Investments
- Identified a palette of Common Street Elements to consider for enhancing transit, pedestrian and bicycle modes
- Provided illustrative examples of how elements in the palette and lane reconfiguration would impact major streets such as Broadway and Civic Center Drive



Key Work in Proposed Study

- Analyze street reconfigurations at a concept engineering level
- Study the impacts of reducing the number of travel lanes, introducing intersection restrictions or significantly increasing the level of transit vehicles on traffic flow
- Assess the impacts of street reconfigurations on business priorities such as on-street parking, loading zones, pedestrian access or storefront visibility
- Achieve stakeholder buy-in to proposed changes in individual corridors
- Determine at an operational level whether the reduction in traffic at downtown entry portals will be sufficient to maintain reasonable downtown access capacity
- Study how to effectively phase improvements
- Fully consider the need or feasibility of proposed new streets

TOTAL COST \$ 959,938

2017 COST \$ 759,938 INCLUDED ABOVE

CITY LOOP STUDY

June 23, 2016

CITY LOOP STUDY (18620)

INTRODUCTION

The City Loop will be a bicycle route around downtown Rochester and will tie into the existing trail network and other proposed bicycle routes. The City Loop will offer connections to each DMC district and connect visitors, residents and workers to culture, entertainment, and nature.

Our approach to conducting the bike and pedestrian system planning and design for the City Loop focuses on creating low-stress, high-quality, world class facilities that make walking and bicycling inviting, convenient, and safe, strengthening Rochester's communal vibrancy with active transportation opportunities for people of all ages and abilities.

We propose to work collaboratively with SRF, City of Rochester/DMC, stakeholders and other transportation infrastructure program team members to advance the DMC vision from concept to reality. Understanding that City Loop may be the most challenging of the four transportation studies, we'll invest considerable efforts in closely coordinating and integrating our work with other consultants and the DMC/City team. Our approach to preparing work products is to develop accurate and visually-compelling materials in a timely manner that will help guide SRF/City/DMC, stakeholders and the community through plan development.

KEY DELIVERABLES/OUTCOMES

- ADA Assessment of Route Segments
- Precedents Review
- Concept Alternatives
- Evaluation Measures
- Preferred Concept
- Visualizations
- Phasing Plan
- Final Report
- 30% Design for Key Locations

MAJOR STUDY TASKS

Our scope of work includes eleven primary tasks:

1. Project Management
2. Community Engagement Activities including Topical Presentations, Stakeholder Listening Sessions, and Pilot Project initiation and monitoring

3. Detailed Review of Previous Design Guidance and Related Studies
4. Research and Presentation of Project Precedents and Updated Design Guidance
5. Assessment of Baseline Conditions (Including ADA) and Validation of DMC/City Loop Vision
6. Develop Design Programming Guidance
7. Develop and Evaluate City Loop Concept Alternatives
8. Finalize Preferred City Loop Concept
9. Develop Project Phasing and Estimated Costs; Early Implementation (Piolet Project), Data Collection and Evaluation
10. Prepare Visualizations
11. Final Report and Targeted/Limited 30% Design (Preliminary Engineering)

PROJECT STAFF SUMMARY

SEH, INC.

- MARK LOBERMEIER, P.E. – PRINCIPAL IN CHARGE, LEAD CIVIL ENGINEER
- BOB KOST, PLA, AICP – PROJECT MANAGER/DESIGNER
- ANDY MASTERPOLE – URBAN DESIGNER
- KARYN LUGER AND ANNA SPRINGER – TECHNICAL ASSISTANCE, PLANNING AND DESIGN
- RON LEAF – GREEN INFRASTRUCTURE/STORMWATER MANAGEMENT

ALTA

- COLIN HARRIS, P.E. – BICYCLE TRANSPORTATION DESIGN/ENGINEERING
- STEVE DURRANT, FASLA – TECHNICAL ASSISTANCE, QA/QC
- FRED YOUNG, PLA – BIKE SHARE DESIGNER
- JIMMY SHOEMAKER AND VICTORIA KOVACS – TECHNICAL ASSISTANCE, PLANNING AND DESIGN

BARR

- NATHAN CAMPEAU – STORMWATER MANAGEMENT

NELSON\NYGAARD

- EVAN COREY – DESIGN CONTINUITY AND PEER REVIEW
- MICHAEL KING – DESIGN GUIDANCE AND PEER REVIEW

REA

- KEVIN OSBORN – PRECEDENT RESEARCH

COMMUNITY DESIGN GROUP (MBE/DBE)

- BASELINE CONDITIONS ASSESSMENT AND ENGAGEMENT ACTIVITIES

*additional technical and design production staff may be engaged over the course of the project.

Work Completed in DMC Study

- Established that an essential ingredient of any great urban space is the ability to move around freely and easily on foot
- Established that developing a quality pedestrian environment would support the economic development, residential strategy and healthy living objectives of the DMC vision
- Recommended a major strategic investment in the form of a world-class **interconnected downtown urban trail**
- Proposed a conceptual alignment for the City Loop linking all six of the DMC Development Sub-districts
- Identified potential connections for the City Loop to the regional trail system
- Provided illustrative examples of how the City Loop might fit in certain locations
- Proposed that improving conditions with the City Loop and a set of streets prioritized for pedestrians would also make bicycling a more comfortable activity in the district
- As a result of changes, anticipates that walk and bicycle travel share will double by year 2035
- Recommended establishment of a downtown area bike share program
- Recommended creation of a downtown bike station

Key Work in Proposed Study

- Reach the stage of considering how the City Loop trail segments would fit “on the ground” throughout the various districts
- Consider how residential and business properties could be impacted
- Resolve the feasibility of sharing the railroad corridor for the City Loop
- Resolve how major street crossings such as a mid-block North Broadway crossing would be handled
- Provide adequate opportunity for public input regarding specific designs in specific locations
- Address federal project development requirements including federal environmental review
- Identify potential funding sources for potential funding for trail maintenance and upkeep



Titan Real Estate and Investments
OPUS Group
First Avenue Mixed-Use Devevelopment

ROCHESTER 1st AVENUE MIXED-USE (US BANK SITE)
DESIGN VISION STATEMENT

DOWNTOWN VITALITY

The primary goal of the development is to provide the level of vitality that this prominent site deserves. In its current state as a surface parking lot, an opportunity has been found to enhance the 1st Avenue pedestrian experience which is currently a weak link to the area.

This site serves as an outstanding in-fill site in the Discovery Square district of the Destination Medical Center (DMC) District of Rochester. Solar orientation, as well as taking advantage of views towards both the downtown DMC and Zumbro River, were important to the site layout and form of the building. Enhancing the vibrancy of this site will contribute to the liveliness and character of 1st Avenue and Rochester as a whole. This mix of residential and retail uses will attract more activity to the site at all hours.

MIX OF USES

A diverse mix of uses will foster an active streetscape, both horizontally and vertically, during the day and evening. A two-story parking garage is lined with active resident uses along Broadway and retail uses along 1st Avenue to promote pedestrian activity at the street level. This program layout was prepared thoughtfully in response to context, having the western 1st Avenue side of the garage being lined with retail as well as a small resident lobby, enhancing the vision of 1st Avenue & strengthening it as a drive of local pedestrian activity for the City. 9,000 square feet of retail and/or restaurant space is located along 1st Avenue which will cater to visitors, residents and employees of local offices and institutions.

In addition to active uses on the West (1st Avenue) and East (Broadway), we are proposing linking the two frontages via a new connector street which will provide pedestrian access to Broadway (and ultimately the river) while also allowing more accessible access to the parking garage and lobby as Broadway currently has an island limiting traffic movements. Access to residential parking garage happens once on Broadway with a right-in / right-out movement. A second garage entry off of the new proposed connector street has also been provided to the upper garage. By providing entries as proposed we have been able to eliminate as many curb cuts on 1st Avenue and Broadway as possible. This is a benefit to pedestrians moving along this important pedestrian street.

The project includes a total of 156 market-rate apartment units with private resident access to both 1st Avenue and the resident lobby on Broadway. Apartments will range in size from studios to two bedroom units, catering to young professionals, doctors, millennials and Rochester residents.

The lobbies are located in prominent locations and enhanced by the connector street which, in aid of building setbacks, create an attractive outdoor space. To do this we have proposed to eliminate a few on-street parallel stalls along Broadway, providing a more comfortable pedestrian experience with natural gathering spaces outside of entries. The first story above the parking garage on Broadway will deliver shared resident amenity spaces, vertically tying the Broadway and 1st Avenue floor levels together on the east in a wonderful two-story resident lobby.

We have also included multiple attractively landscaped outdoor decks to provide stunning views of downtown DMC and the Zumbro River. The spaces will include an open air second story for residents, encouraging activity on what are typically underutilized roof areas.

PEDESTRIAN-ORIENTED ENVIRONMENT

Stemming from long-standing urban design principles, we have successfully implemented contextual architecture and landscape design creating a welcoming public environment intended to attract pedestrian activity & encourage resident participation in activating the city.

In addition to increasing the energy on site, key design features will foster the goal of revitalizing an overwhelmingly auto-oriented environment:

- The building's massing responds to the context, having the tallest building expression located mid-block and along Broadway with the scale of the building stepping down towards 1st Avenue.
- The perimeter of the site is lined in certain instances with attractive architecture and active uses, in ways that respond to the specific context of each particular street, we intend to strengthen these connections.
- Generous and attractive outdoor spaces are provided adjacent to lobby, retail and on outdoor decks.
- The amount of curb cuts are minimized.
- The pedestrian-oriented fabric of 1st Avenue is enhanced to facilitate the connection to mass transit, greater DMC district and local retail.
- A combination of shade trees and architectural expressions have been integrated into the design, aiding in at ability for pedestrians to migrate along the buildings edge in comfort.

ARCHITECTURAL FEATURES

The building design has been influenced by its context and environment. The new local buildings utilize high-quality materials including colored metal panels, architectural concrete, perforated metal panels, masonry and glass which compliment this architecture. The materials will be of superior quality and will be compatible with its surrounding context. The architecture is modern with clean lines and an architectural order to its forms. A pedestrian-scaled building base and slender occupied tower accentuate the top of the building and provide contextual connections for future developments.

Environmental influences are just as important as a buildings context. This mixed-use project has been designed to transition to its context while also addressing the climate. The buildings has been oriented along their east-west axis in order to address the intense rising and setting sun. The building design integrates both hanging and captured balcony elements along the south façade protecting the building occupants from the mid-day summer sun. Local materials will be utilized to the greatest extent possible, along with recycled content such as fly ash in the concrete. Finally, green roofs have been implemented to aid in storm water quality and detention which will help limit the projects pressure on the local civic storm systems capacity.

The signage frieze per district guidelines has been reinterpreted into a strong horizontal band tying our street level experience together from Broadway to 1st Avenue. The retail and residential uses will each have identification and address signage. The retail areas will also have signage that follows the comprehensive signage criteria established in the design guidelines while also tying to the project design. The sign areas will be proportional to the size of the building element on which they are located.

SITE FEATURES

The building's base will be well lit for pedestrians walking along the site. Architectural lighting will also be used to signify entrance points for the various building functions. Accessibility is also an important part of this project; the entire building will be ADA accessible.

Following the lead of the City of Rochester, the project will provide public and residential bicycle storage. The public bicycle racks are available around the site. The residents have a secured bicycle storage and bike shop, referred to as the

Bike Valet, within the building. The bicycle and pedestrian areas have been purposefully separated from passenger and service vehicles entering and leaving the site.

The landscape features proposed for the project include identifying sidewalk jointing patterns that define the pedestrian path of travel. The project landscape design embraces the notion that each building façade relates directly to its context. As an example, the buildings north and East facades include jointing patterns that tie directly to the building architecture and structure. These seemingly minor moves provide a superior connection of the building and landscape when executed thoughtfully at these early conceptual stages.

Proposed Titan / Opus 1st Avenue Project Location Map



PROJECT
ROCHESTER
1ST AVE
MIXED-USE

1000 1st Avenue South
Rochester, Minnesota
55902

ISSUE RECORD

DATE: 10/13/16
DRAWN BY: J. MARTENS
CHECKED BY: K. COURNEA / M. HUGHES
APPROVED BY: J. FOURNEA

10/13/16

VIEW:
3D PERSPECTIVE

10/13/16

A2.03



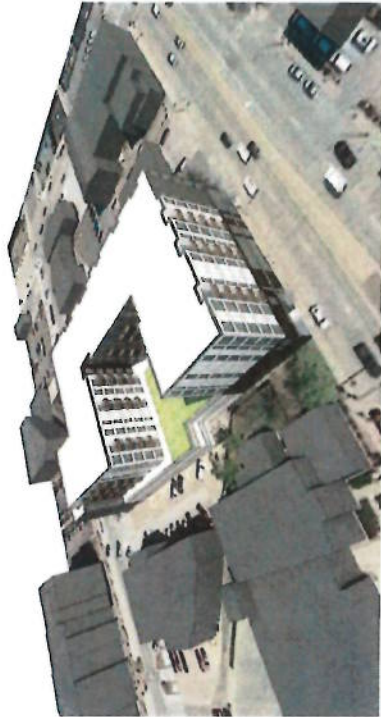
VIEW FROM 1ST STREET SW



VIEW FROM BROADWAY - LOOKING SOUTH



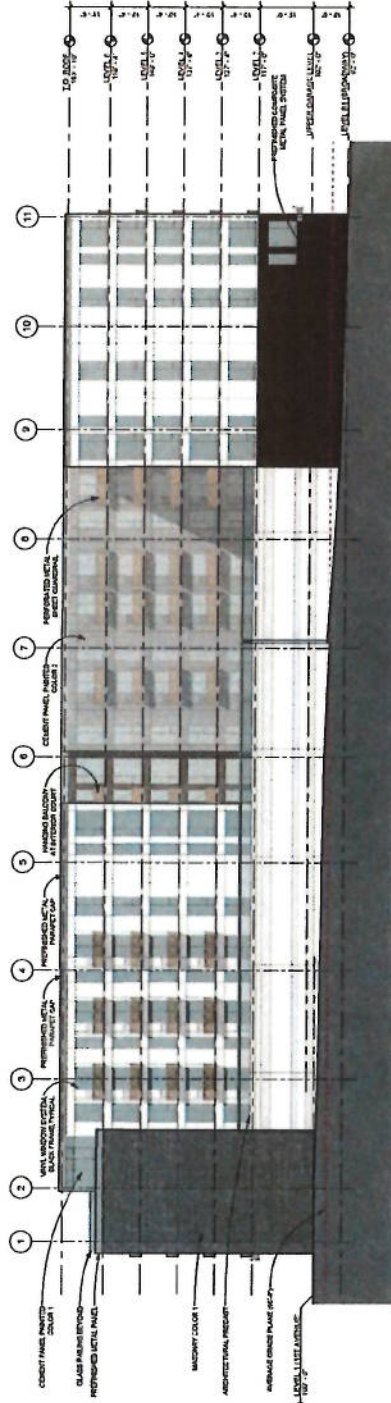
VIEW FROM BROADWAY - LOOKING NORTH

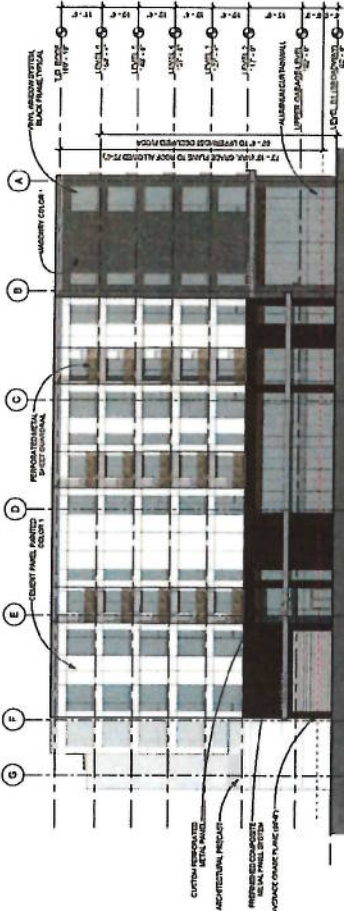


AERIAL VIEW LOOKING NORTHWEST

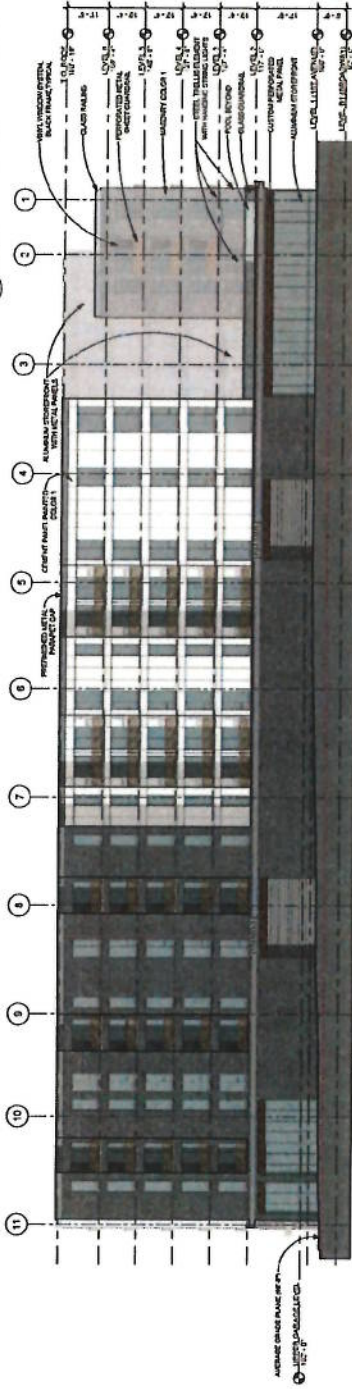


AERIAL VIEW LOOKING SOUTHEAST

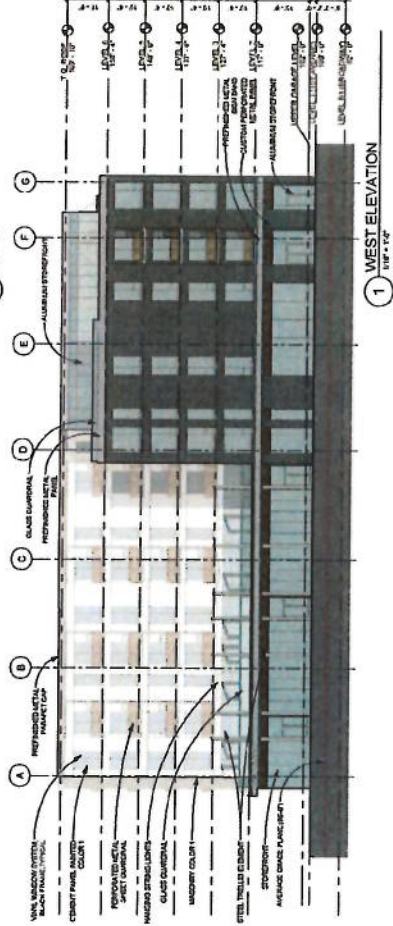




3 EAST ELEVATION
SWP 4/14'



2 NORTH ELEVATION
SWP 4/14'



1 WEST ELEVATION
SWP 4/14'

HEART OF THE CITY NORTH DEVELOPMENT PROJECT

EDA BOARD MEETING - INFORMATIONAL PACKAGE
October 17, 2016

ROCHESTER DEVELOPMENT I, LLC

HEART OF THE CITY NORTH PROJECT – A CATALYTIC ECONOMIC DEVELOPMENT STRATEGY

The Heart of the City North Project offers an opportunity to drive an immediate transformation in the core of downtown Rochester. This project meets all of the critical economic development drivers set forth in the DMC Law and achieves a significant fiscal and economic gain to the State of Minnesota, Olmsted County and the City of Rochester, including:

- ✓ **A Catalyst for Heart of the City** – The Heart of the City North Project involves a dynamic program of uses that will bring new energy to the core of downtown, including an urban-scale hotel, stylish residential and retail centered on modern dining concepts. This project sets the northern boundary of Heart of the City with a broad program of uses that will drive a new urban lifestyle in downtown Rochester.
- ✓ **Supports the Expanded Mayo Civic Center** – Our proposed 200-key select hotel at the Heart of the City North will provide an important room block of conveniently located guest rooms that will be vital to drive increased visitation and utilization to the expanded Civic Center. Our hotel market analysis identified the critical importance of this class of hotel at this location as integral to the success of the Civic Center going forward.
- ✓ **Strong Hotel Market Demand Support** – The Heart of the City North Project will provide a high-quality complement of hotel rooms -- in close proximity to Mayo Clinic and Mayo Civic Center – at the exact tier of the market that is most underserved today in the Rochester market.
- ✓ **Measurable Fiscal Impacts** – This project generates approximately \$80 to \$85 million of net new tax dollars to local, regional and state government which is the foundation of the entire DMC vision.
- ✓ **A Catalyst for Jobs** – Initiating the economic development strategy that will achieve approximately 600 to 650 new jobs to be created as a result of Heart of the City development.
- ✓ **Historical Context** – One of the principle drivers of our design is to celebrate the historic importance of this site as a focal point for hospitality in Rochester. Our design creates a strong urban and pedestrian scale and embraces some of the architectural character of the former Carlton Hotel.
- ✓ **Lifestyle Residential** – Our recent market study highlights the importance of mixed-use residential development on this site to create a style and character of housing that is integral to the transformation of downtown Rochester.
- ✓ **Financial Strength** – The Heart of the City North project has been carefully planned to meet the demands of the market. Well developed and thorough market research has been completed to analyze the program and site development potential. The strength of our vision for the Heart of the City North has been proven in the capital markets with the commitments that have been secured to support the equity and debt for this project. This project is shovel ready.



Development Site Context Map



PROJECT PROGRAM

Hotel	200 Keys
Residential	120 Units
Retail	14,000 SF
Floor Area Ratio (FAR)	8 (Approximate)
Structured Parking	317 stalls

SOURCES

Debt	\$54.40 Million
Equity	<u>\$44.00 Million</u>
Total Sources	\$98.40 Million

Note: DMC/City funding included in total sources as outlined above.

Heart of the City
Design Team
Update

THE HEART OF THE CITY DESIGN TEAM

RSP + Coen+Partners + 9.Square + HR&A Advisors + Kimley-Horn

October 14, 2016

Subject: Heart of the City Public Space - Design Progress Update [Current Phase = Discover]

DMCC Board Members:

The Heart of the City (HoC) Design Team has been working with City of Rochester Staff and the DMC EDA to kick off the Discover Phase of our work and to create a smart and informed work plan for the entire scope of our work. We have collected, assessed, discussed and distilled much of the work that has been done to date so that we appropriately leverage the important work already completed. We are currently collecting and synthesizing additional information and designing additional research to refine our understanding of site, market, community, Mayo Clinic and additional stakeholder needs. Discover Phase work and engagement completed thus far also includes:

- **Kickoff Meeting with the City of Rochester Staff & DMC EDA on September 7th** – confirming: Vision assessment, project goals, early stakeholder feedback, meaningful community engagement, and sufficient time for input and review with stakeholders.
- **Participation in the September Transportation Summit** – confirming potential circulation/movement.
- **Participation in and sponsorship of the Rochester Prototyping Festival** – engaging stakeholders and the community, and opening minds to the potential of the HoC public space design.
- **Completed Design Services Agreement with the City of Rochester.**
- **Process Review Meeting with the City of Rochester Staff and DMC EDA on October 3rd** – confirming potential stakeholder groups and strategies for interviews and engagement.
- **Process and Research Strategy Review Meeting with the City of Rochester Staff and the DMC EDA on October 21st** – confirming work plan for: interviews, research, and community engagement.

Look Ahead:

- During late October, November and early December we will lead broader community and stakeholder engagement in our Discover Phase work.
- During late October / early November we will re-engage with the Community Advisory Committee to review our progress and our work strategies. At this meeting we will also review and confirm the role and responsibilities of the Community Advisory Committee.
- We will continue to provide you an executive level summary of our work & progress for your quarterly board meetings. We will also seek your leadership engagement and participation to help advance this important work. For example, we expect to seek your engagement and approval of our Discovery phase findings at your December 15, 2016 Board Meeting. See the attached graphic for a summary of our Discover / Dream / Design / Do process.

Respectfully submitted, Jon Buggy, AIA

Contact: Jon Buggy, AIA, Principal • Phone: 612.677.7163 • Email: jon.buggy@rsparch.com
RSP Architects • 320 S. Broadway, Rochester, MN 55904

GLOBAL DESTINATION FOR HEALTH + HEALING : HEART OF THE CITY PROJECT NEXT STEPS

Our task:

To create a place where people want to: gather, connect and engage, explore, move, learn, create. [Health + Healing]

Our outcome:

The Rochester community, resident and employee / small business owner experiences need to meet and exceed the quality of the experience at Mayo. The needs of all market segments must be addressed and enhanced to delight all users.

Discover

Create a framework for discovery and the project that incorporates goals of the plan + previous research learnings.

Employ 4 types of research to understand the qualitative needs of the 3 primary user groups identified in DMC research.

Synthesize and present research to working group, research steering committee and board for review. Use insights to inform HOC prototyping.



Framework for creating a successful liveable work habitat place.

Design

Learning from prototyping. Development of design concepts and iterations that are informed by prototypes, design principles and scaled to the Heart of the City.

Dream

Using design principles, and research insights, engage community (artists, designers, stakeholders) in ideation sessions to identify prototypes for testing in the Heart of the City.

Do

Implementation and program planning.



Research methods



Research through engagement



Community ideation + prototyping



Scaled solutions for the Heart of the City

Chateau Theatre

Rochester, MN

DMCC Board Update

October 27, 2016



Needs Assessment Review

Proposed Program/Design Concepts

webb management

Miller Dunwiddie Architecture

Schuler Shook

LISTEN - LEARN

INNOVATE - CREATE



GOAL SETTING / ORGANIZATION

TASKS:

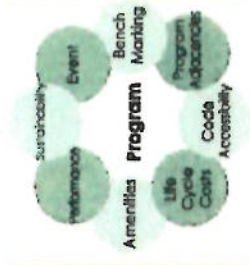
- Kick Off Workshop
 - roles & responsibilities
 - scope & schedule
 - confirm goals & objectives
 - identify existing documents & data
- Plan User Group Workshop & Final Reveal
- discuss planning vision & expectations
 - identify event details & responsibility



FACILITY AND SITE ASSESSMENT

TASKS:

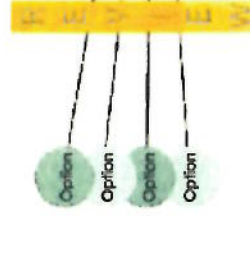
- Existing Conditions Documents
 - review existing drawings, reports, & studies
- Building Systems & Evaluation
- Visit facility to observe current conditions



PROGRAM UNDERSTANDING

TASKS:

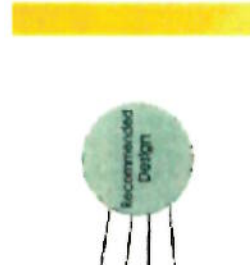
- Finding the Ideal
- interviews to understand current utilization of spaces and identify desired upgrades
 - compile preliminary space program of desired space in relation to site, quality, & functional relationships/adjacencies
 - stakeholder / user group workshop to encourage open expression of preferences & desires of community



CONCEPT DEVELOPMENT

TASKS:

- Concept Diagrams
- develop conceptual diagram
 - 3-5 planning options
 - concept diagrams indicate key activity areas, shared spaces, adaptive reuse of existing building
 - order of magnitude cost analysis for each option
 - development of matrix to compare key aspects of each concept diagram & narrow number of options to further develop for master plan
 - sustainability opportunities



VISION OUTCOME

TASKS:

- Develop Final Documents
- concept drawings
 - development of scope
 - project budget
 - phasing
 - 3D visualization
- Public Concept Revealed
- event to expand community interest
 - presentation of final documents



VALUE ADDED

TASKS:

- Historic Assessment
- summarize & assess historic characteristics
- Pipe Organ
- review existing conditions & performance requirements
- Existing Building Assessment
- peer review of 2015 report

MARKET RESEARCH



Market Making is Opportunity

- facility uses + users
- arts market assessment
- touring product potential
- potential partners
- models + precedents
- benefits, impacts + community ...
- recommendations + facility concept
- activity profile + programming plan
- existing facilities + competitive analysis

SCHEDULE

MAY

JUNE

JULY

August

New Steps

Chateau Theatre Reuse Study **Updated October 17, 2016**

week	August				Sept				Oct				Nov				Dec			
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Research/Organization																				
Investigation/Documentation																				
Market Analysis																				
Concept Design																				
Concept Drawings																				
Budget/Phasing																				
Draft Report																				
Update to Steering Committee																				
Comment Period																				
Business Plan																				
Interviews																				
Draft Report																				
Update to Steering Committee																				
Public Reveal																				
Presentation to Task Force																				
Presentation																				
Final Documents																				
Next Steps - City of Rochester																				

Forces and trends ...

- Decline in performing arts attendance (excluding musical and non-musical plays)
- Decline in youth participation
- Decline in public sector funding for the arts
- Increased private sector competition
- Active arts participation is increasing
- Total funding for arts education is growing

The improving value proposition

The arts and:

- * Economic development
- * Creative place-making
- * Downtown revitalization
- * Cultural tourism
- * Quality of life
- * Business and workforce development and retention
- * Community development
- * Arts in education
- * Healing – physical, mental, spiritual and communities

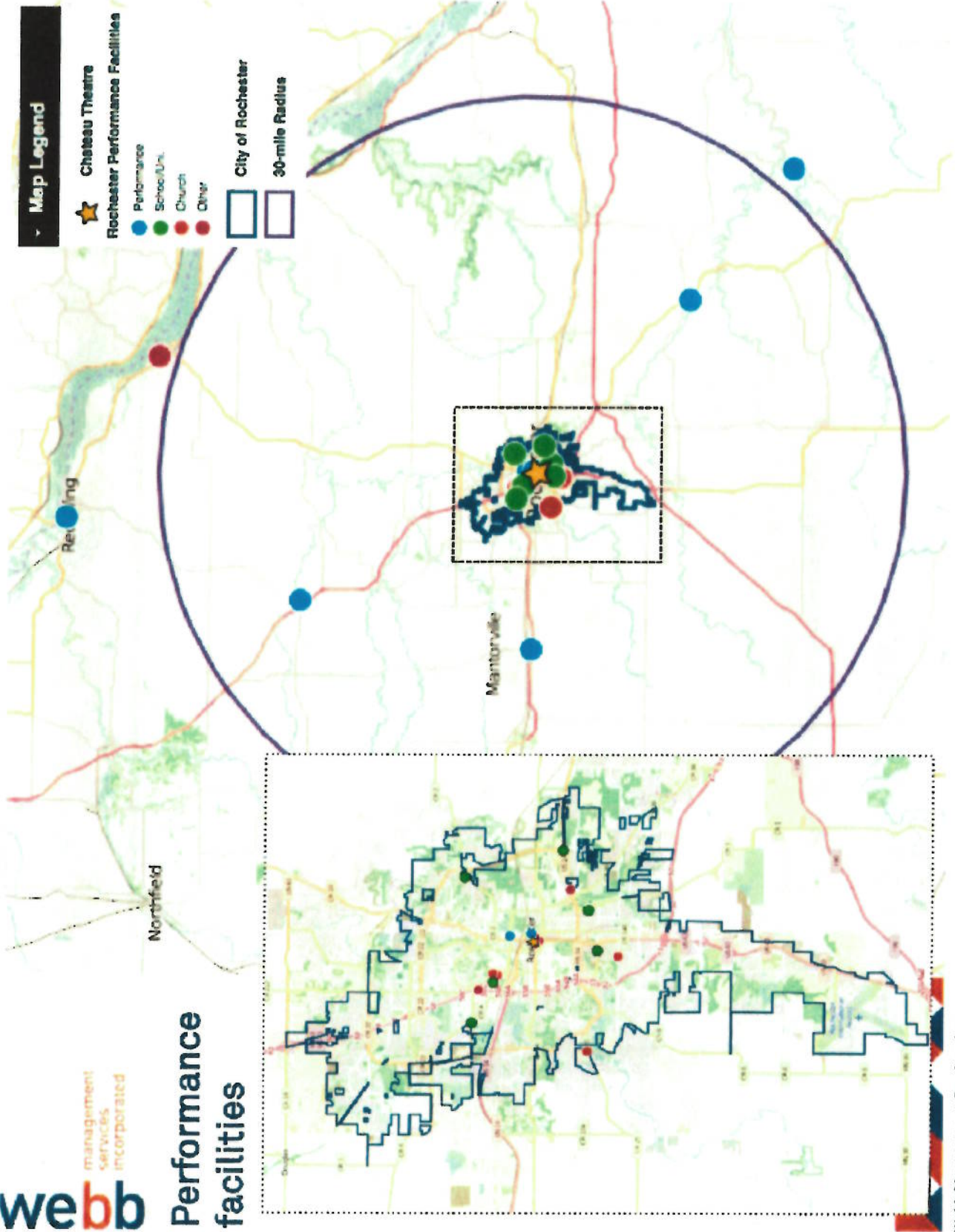


Responding to changes

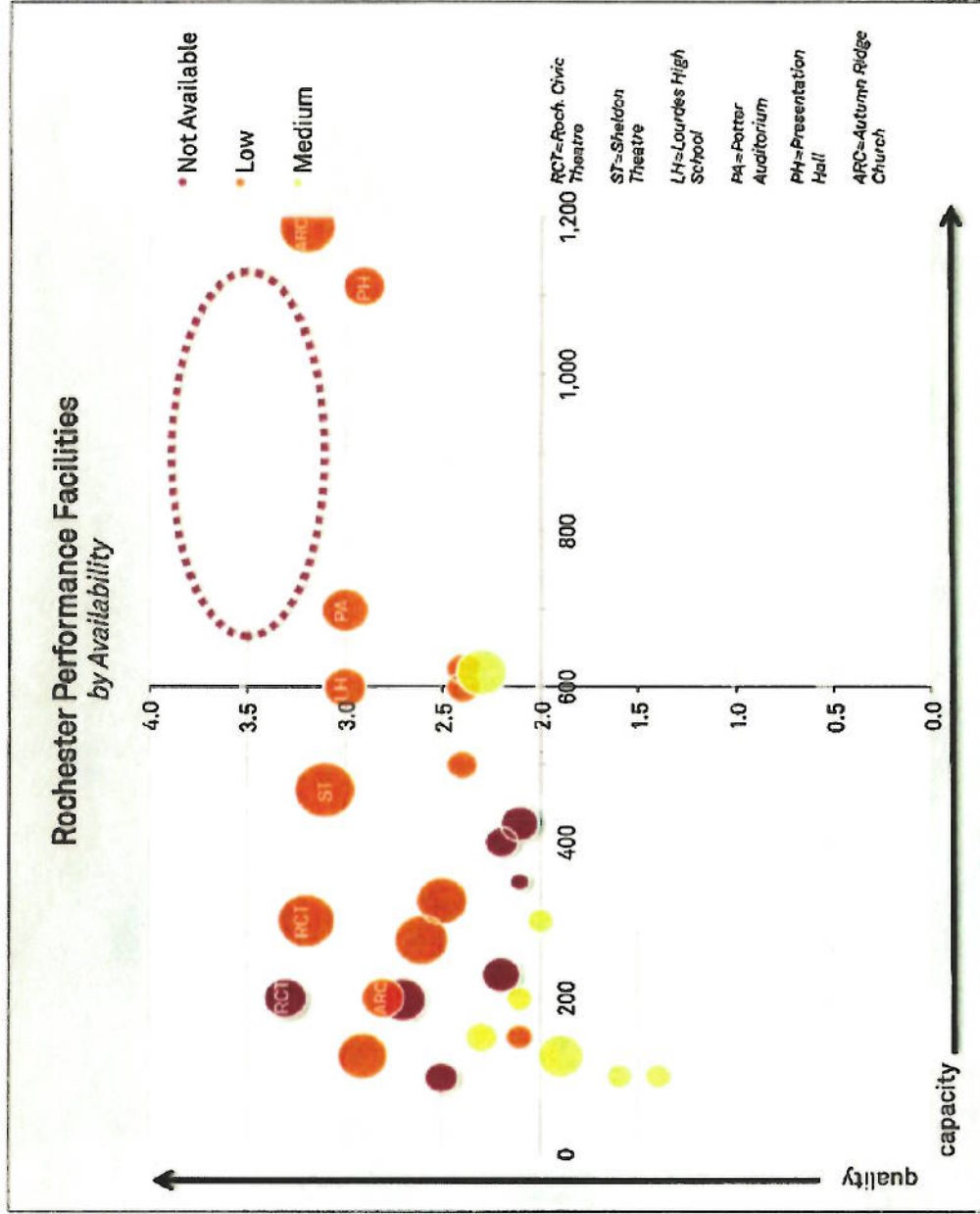
- * From Friday Night Lights to the Community Living Room
- * From Cultural Palaces to Cultural Districts
- * From passive participation to active programs
- * From cultural advancement to community development
- * Stressing the social experience
- * Low cost of access
- * Programming for omnivores
- * Secondary, temporary and outdoor spaces
- * Engaged audiences with some measure of control

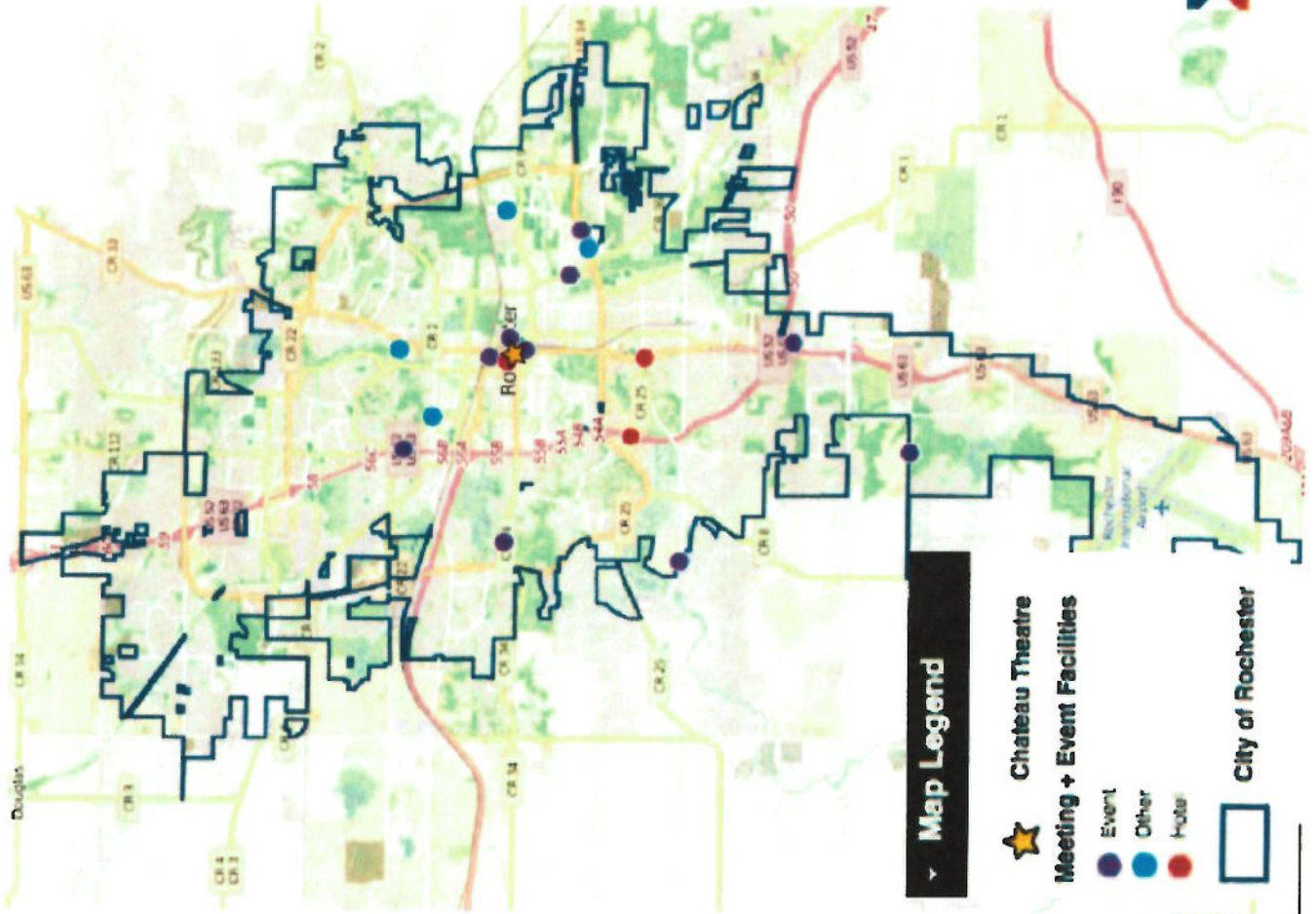


Performance facilities



Performance facilities





Conclusions

The research suggests that there is a case to rehabilitate the Chateau Theatre based on:

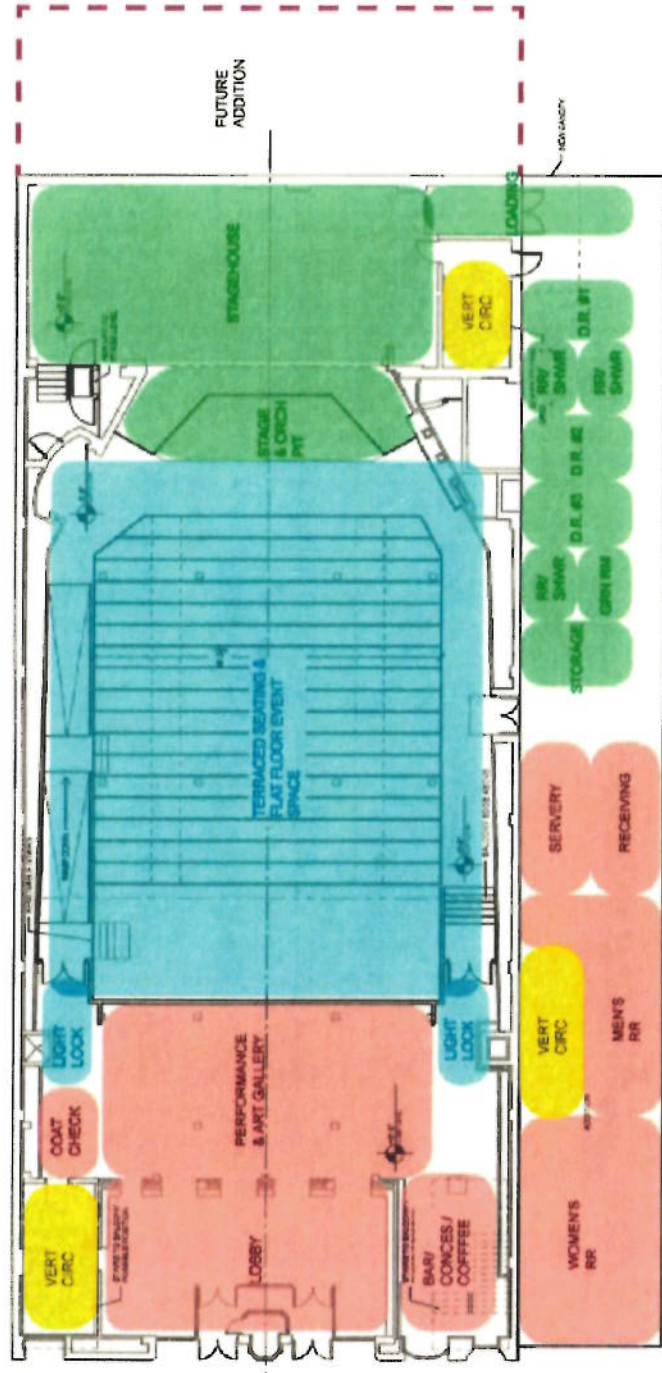
- * **The Market:** The market is growing, well-educated, and diverse. In addition, visitors to the Mayo Clinic are likely attenders if programs are designed and promoted appropriately.
- * **Existing Facilities:** For many, facilities in Rochester are either too expensive, too big, or too busy. This leaves a gap in the market for a high-quality performance, film, and meeting and event space, particularly one with 400+ seats. There is additional demand for small performance and classroom space.
- * **User Demand:** User demand for a rehabilitated Chateau equates to 667 days of use for performances, events, and happenings. Unlike most arts spaces, this demand is not just for evening hours and weekends—it is for events that can take place at all hours of the day.
- * **Potential Partners:** Partnership opportunities exist amongst multiple community and cultural entities. Mayo and City of Rochester divisions like the Music Department and Public Library will be key to the project's success.
- * **Community Benefits + Impacts:** A rehabilitated Chateau has the potential to contribute to multiple community goals, particularly as it relates to the DMC.



Recommendations

- * The Chateau should be renovated as a functional and flexible performance, meeting and event space with as many seats as possible
- * Physical priorities should be:
 - * A high-quality venue for a range of event types
 - * Maximizing seating capacity (+600 seats?)
 - * Technology for amplified and un-amplified live and electronic events
 - * Efficient access and changeovers for various types of users.
 - * Flexibility for users and audiences
 - * Amenities for audiences – excellent food and beverage capabilities





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 architects
 122 North Third Street Suite 114
 Minneapolis MN 55401-1477
 phone 612-339-4800 / 612-339-4801



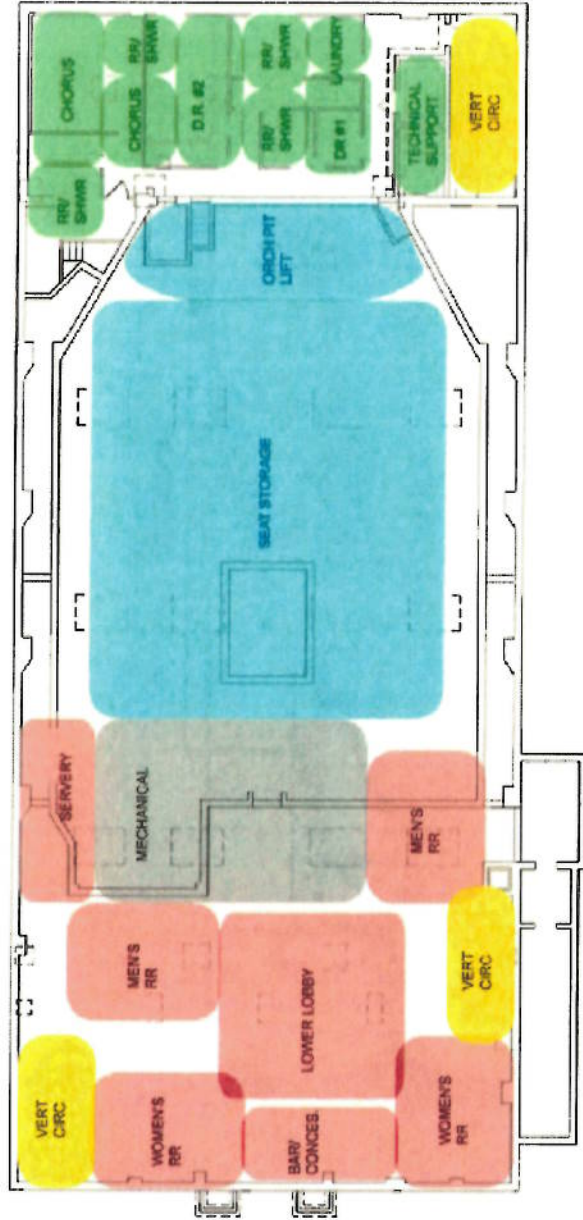
CHATEAU THEATRE
 15 1st Street SW
 ROCHESTER MINNESOTA

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 DRAWN: [unintelligible]
 CHECKED: [unintelligible]
 PROJECT: [unintelligible]

OPTION E- FIRST FLOOR

E1



miller durwiddie
ARCHITECTS

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Minneapolis, MN 55401-4487
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P 612-337-0033 / 612-337-0201



PROJECT

CHATEAU THEATRE
15 1st Street SW
ROCHESTER, MINNESOTA

SCALE

1/16" = 1'-0"

DATE

NOV 1970

REVISION

01-10-2016

DESIGNER

SCOTT

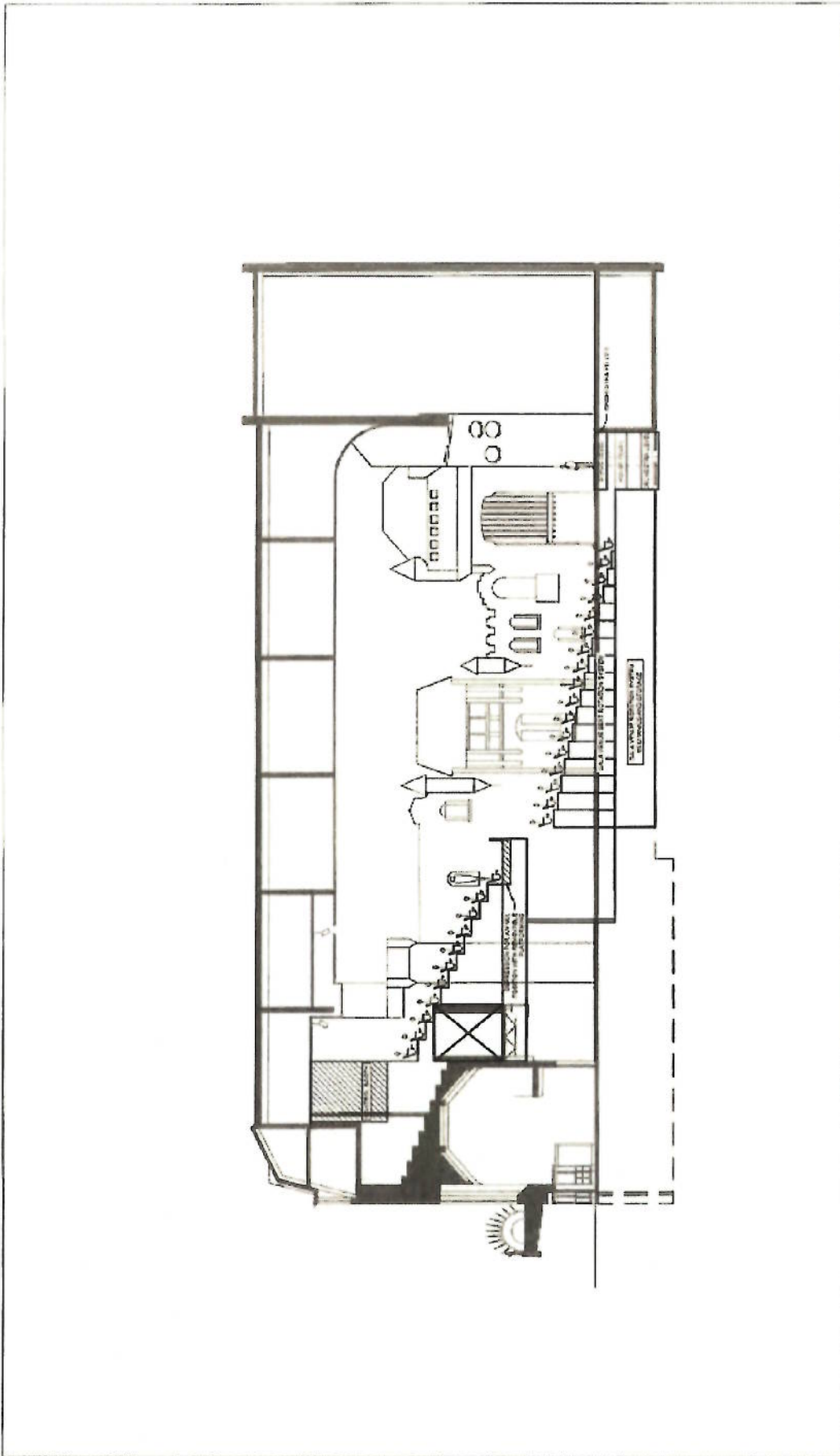
PROJECT NO.

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PLANNING NUMBER

E2

OPTION E- BASEMENT



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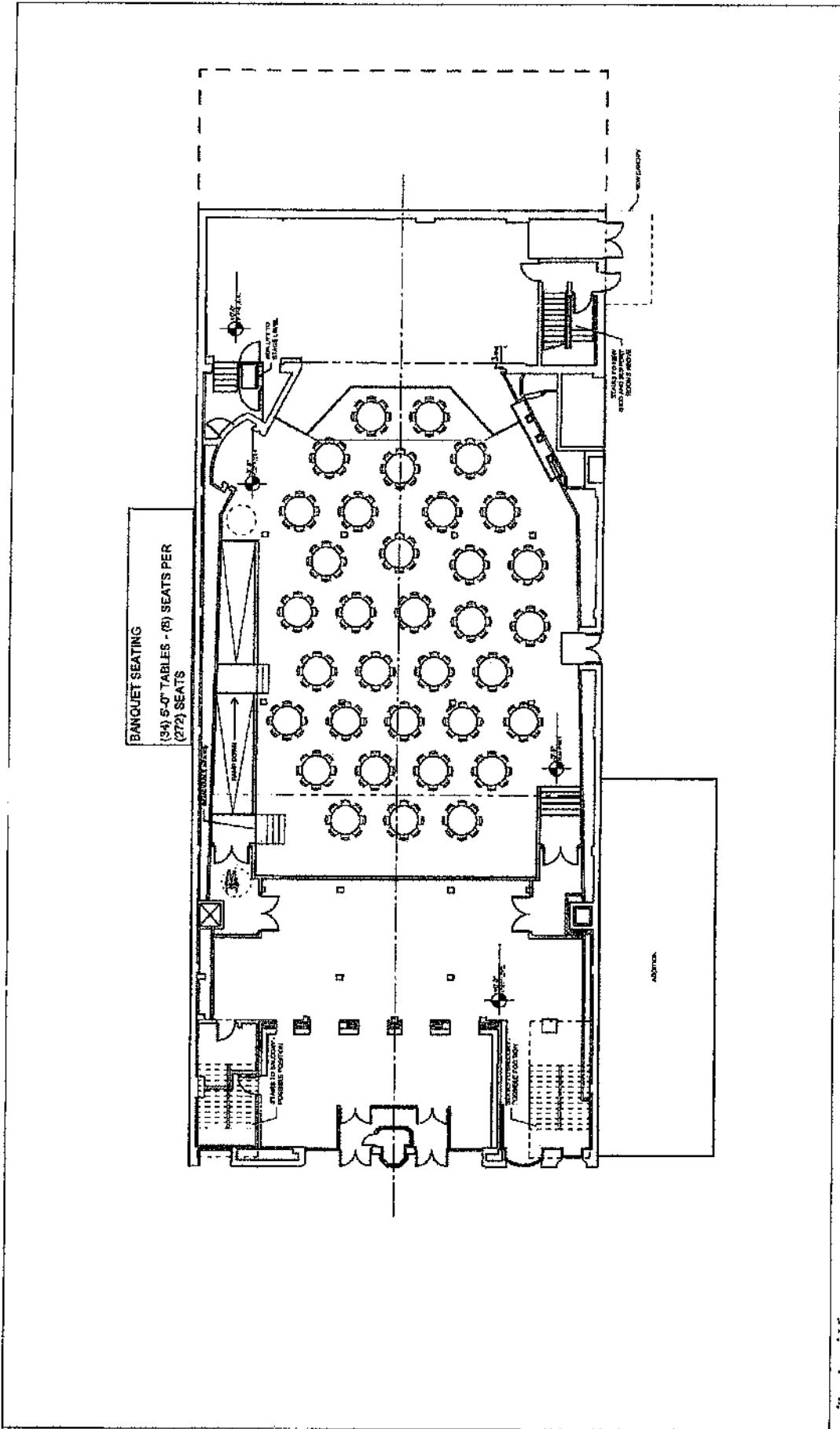
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15 1st Street SW
ROCHESTER, MINNESOTA

SCALE: **1/16" = 1'-0"**

JOB NO. **1022-101**
DATE: **2/14/2010**
DRAWN: **ELC**
CHECKED: **ELC**
BY: Miller Dumwiddie Architects Inc.

DATE PLOTTED: **2/14/2010 10:17:11 AM**
SEATING BASE BID

PROJECT NUMBER: **S1**



millar dunwidde
ARCHITECTS

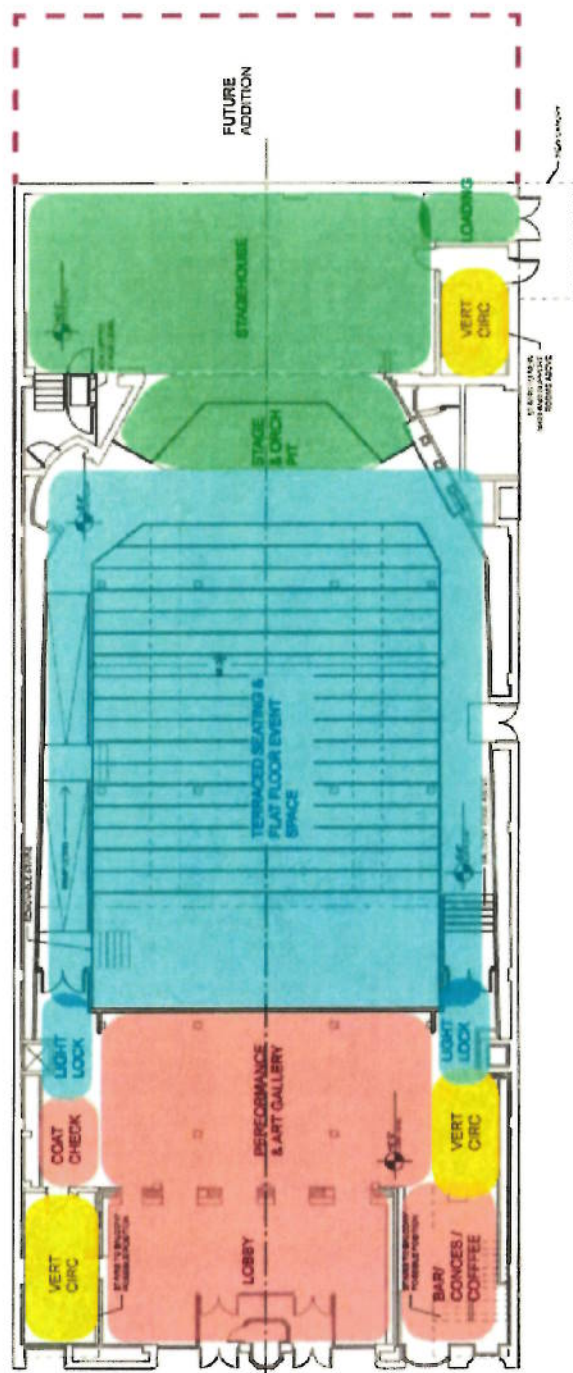
131 North Third Street, Suite 114
Minneapolis, MN 55401-1107
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PROJECT: **CHATEAU THEATRE**
15 1st Street SW
ROCHESTER, MINNESOTA

SCALE: **1/16" = 1'-0"**

DATE: _____
DRAWN BY: _____
CHECKED BY: _____
DATE: _____

DATE/PAGE TITLE: **TABLE SEATING OPTION S3**



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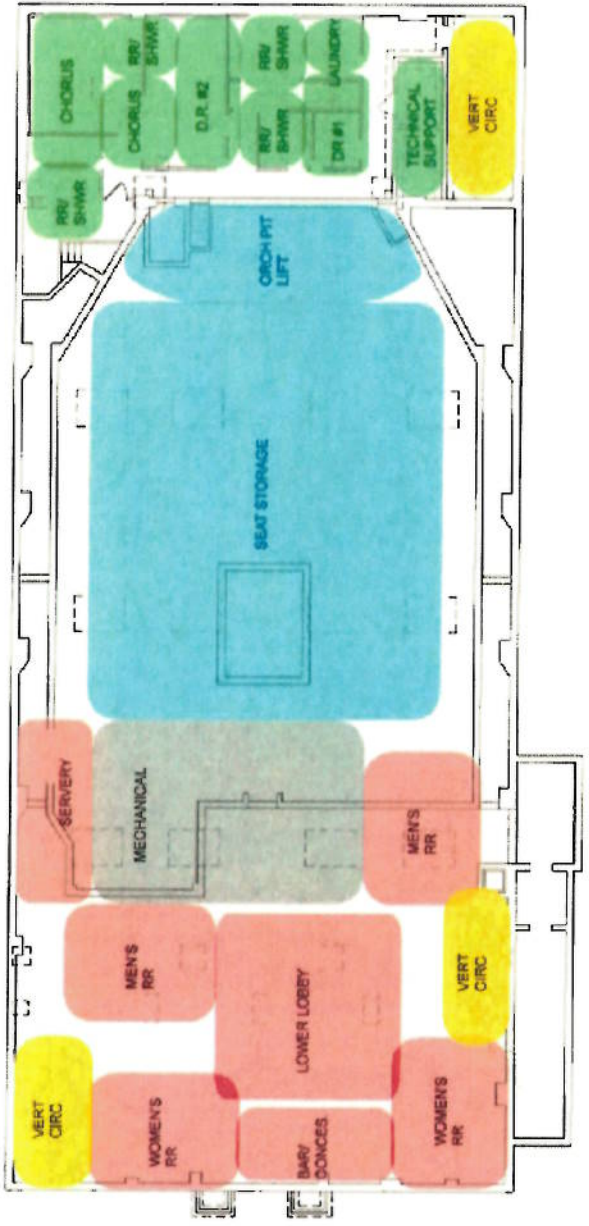


CHATEAU THEATRE
15 1st Street SW
ROCHESTER, MINNESOTA

SCALE: 1/16" = 1'-0"

DATE:	DATE:
BY:	BY:
NO.:	NO.:
SCALE:	SCALE:

OPTION C- FIRST FLOOR C1



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CHATEAU THEATRE
15 1st Street SW
ROCHESTER, MINNESOTA

SCALE
1/16" = 1'-0"

PROJECT NO.	RSC 1601
DATE	08/15/2012
SCALE	
DESIGNER	

COURTESY: MVA

OPTION C-BASEMENT

PROVISIONS: C2

Saint Marys Place
Update

Saint Marys Place

To: DMCC Board of Directors

From: DMC EDA Staff

Date: October 20, 2016

Background:

The public design process initiated in the Saint Marys Place subdistrict continues to move forward. Following data collection, including a site visit to the Twin Cities, the design team led a process we are calling a Design Sprint. This is an accelerated and in-depth engagement process to illustrate ideas and concepts to advance the public realm vision for St. Marys Place. Results of the design sprint were shared with involved stakeholders on Wednesday, October 19.

Next Steps:

- Share overview of findings with DMCC board
- Share concepts with community for further input
- Initiate prototyping/temporary demonstrations
- Incorporate feedback and study findings into final concept for public consideration in December



St. Marys Place | 2nd Street

Public Realm Design Process

May 17, 2016 | Updated April 21, 2016

DATA GATHERING & ANALYSIS

45 DAYS



DESIGN SPRINT → ALTERNATIVES

14 DAYS

City of Rochester - Richard Freese
DMC EDA - Patrick Seeb

Form the Basis



- 100 Year Perspective
- Other



- PED Connect
- Neighborhood Transition
- Street & Transit
- Parking
- Cost Est.
- Schedule



PUBLIC REALM PLAN

30 DAYS



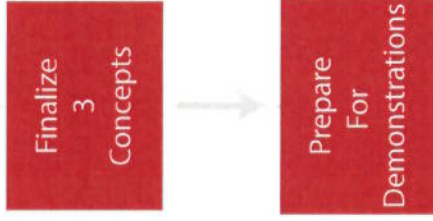


St. Marys Place | 2nd Street

Public Realm Design Process - Design Sprint → Alternatives

Week 1: September 27-30

Tu	9:00	Design Professionals	Design Concept A
W	9:00	Design Professionals	Design Concept B
Th	9:00	Group C	Design Input
F	9:00	Design Professionals	Design Concept C



Week 2: October 12-19

W	8:00	Week 2 Kick-Off	Public Open House
Th	8:00	Demonstration A	Take Down A
F	8:00	Demonstration B	Take Down B
Sa	8:00	Demonstration C	Take Down C
M	8:00	Design Professionals	Analyze Demonstrations
Tu	8:00	Design Professionals	Refine Final Concept
W	8:00	Design Professionals	Refine Final Concept

Stakeholder Groups:

- Group A:** Design for the patient/visitor/employee experience
Mayo (2 People), Neighborhood (2 People), Business (2 People), City (2 People)
- Group B:** Design for the local business/developers experience
Mayo (2 People), Neighborhood (2 People), Business (2 People), City (2 People)
- Group C:** Design for the neighborhood/livability experience
Mayo (2 People), Neighborhood (2 People), Business (2 People), City (2 People)

Design Professionals:

- Meeting Facilitators**
MDC, Saint Paul Riverfront Corp., SEH
- Urban Designer/Landscape Architects**
MDC, Saint Paul Riverfront Corp., SEH
- Graphic Visualization Support**
MDC, SEH
- Technical Support**
City, Stantec, SRF

September

Su	M	Tu	W	Th	F	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

October

Su	M	Tu	W	Th	F	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					



Group A - Connect
 Perspective of Mayo Patients, Visitors and Employees





Group C - Activate
 Perspective of Local Neighborhood Residents

- Existing/Approved Building
- Existing Surface Parking
- Proposed Building
- Sidewalk and Amenity Zone
- Street/Alley
- Table-topped Street
- Street Level Sidewalk
- Pedestrian Plaza/Thoroughfare
- Protected Bicycle Lane
- Toront Drop - Off (Mayo Employees)
- On Street Parking
- Park/Landscape Zone
- Gateway Feature
- Public Art
- Street Tree
- Major Transit Hub
- Button Activated Crosswalk
- Proposed Stoplight
- Glass Mixed Use Structure
- Weather Protected Alcove



DMC

A Global Destination
for Health & Healing

September 2016

**Monthly Report
Destination Medical Center
Economic Development Agency**



Letter from the Executive Director

Dear Board Members,

On behalf of the Destination Medical Center Economic Development Agency (DMC EDA), I am pleased to provide you with the DMC EDA September 2016 monthly report.

In the month of September, we made tremendous progress with development in the DMC District, most notably the announcement of Mortenson Construction being named the real estate development firm for Mayo Clinic's Discovery Square project. We provided in-depth review and guidance to Alatus, LLC; Hammes Company; and Titan Development/OPUS Group on major development projects and continue our collaborative efforts with the design of the St Marys Place and Heart of the City.

We introduced the business strategy of urban prototyping in collaboration with Rochester Downtown Alliance and Rochester Art Center. We appreciate the partners and sponsors who joined in support, including the Bush Foundation, RSP Architects, SRF Consulting, Think Bank, City of Rochester, and 3rd Street businesses. Approximately 5,000 people attended the festival.

Our marketing and outreach strategies allowed us to reach cities in surrounding counties and beyond focused on driving economic development and building workforce opportunities in Minnesota. We participated in more than 20 panel discussions and presentations at a regional and national level increasing our communications and social media engagement to audiences including start-ups, innovators, entrepreneurs and key regional public officials. Our message continues to strengthen and resonates well with key stakeholders who are working with us to further expand the opportunities DMC provides to Rochester and the State.

It is a pleasure to provide you these monthly updates. Please contact me if you have questions on this report. I appreciate your support and will continue to stay engaged with you.

Sincerely,

Lisa Clarke

Page:

1	Economic Development
2	Active Projects in DMC District
5	Finance, Operations, and Patient & Visitor Experience
6	Communications Review
12	Major Tasks for Next 60 Days: October-November
13	Financials



Economic Development

- Design process for the public realm of St. Marys Place sub-district is underway. Successful design sessions held during the last week of September. Results will be presented in mid-October, including the idea of doing prototyping/temporary installations and additional data collection and surveys. The outcome of this process will help inform public investment decisions for the sub-district.
- Provided in-depth review and guidance to Alatus, LLC; Hammes Company; and Titan Development/OPUS Group on major development projects to match developers' interests/needs with DMC goals and objectives. Outlined information needs, timetable, and expectations in anticipation of request for DMCC support. Hammes and Titan/OPUS, respectively, will provide preliminary presentations at the October 27 DMCC board meeting.
- Participated in early stage, pre-development discussions with several additional DMC developments, including Mortenson Co., the real estate partner selected by Mayo Clinic for its portion of Discovery Square.
- Heart of the City public space design process is underway. We are onboarding the design team, led by RSP Architects. An outline of key steps and project milestones will be presented at the October 27 DMCC board meeting.
- Successfully completed the Urban Prototyping Initiative, exploring the intersection between health and the built environment. Sixteen prototype installations were imagined, designed, built, and installed by community teams (more than 100 team participants) and viewed by more than 5,000 people.

This business strategy was undertaken in collaboration with DMC, Rochester Downtown Alliance and Rochester Art Center. Additional partners/sponsors have joined in support: Bush Foundation, RSP Architects, SRF Consulting, Think Bank, City of Rochester, and 3rd Street businesses.

- Participated with the City of Rochester in presenting proposed design standards for DMC District to key constituent audiences.
- Participated in policy discussions regarding strategies for ride sharing and hospitality options.
- Continued discussions with Mayo Clinic, M.A. Mortenson and other stakeholders regarding Discovery Square development
- Participated with the City in developing strategies to achieve and surpass DMCC WMBE goals.

Active Projects in DMC District



Development: 501 on First
Developer: 501 on First, LLC
Purpose: Residential, Retail
Subdistrict: Discovery Square
Location: Fifth St. SW and Second Ave. SW
Status: Under Construction

Development: Third Avenue Lofts
Developer: The Urban Studio
Purpose: Residential
Subdistrict: Discovery Square
Location: Third Ave. SW and Sixth St. SW
Status: Proposed



Development: Titan-OPUS
Developer: Titan Investments and OPUS Group
Purpose: Residential
Subdistrict: Discovery Square
Location: Between First Ave. SW and Broadway Ave. S.
Status: Proposed

Development: Discovery Square
Developer: M.A. Mortenson and Mayo Clinic
Purpose: Life science
Subdistrict: Discovery Square
Location: First Ave. SW
Status: Proposed



Development: Associated Bank
Developer: Bloom Properties
Purpose: Office
Subdistrict: Downtown Waterfront
Location: Broadway Ave. S and Second St. SE
Status: Under Renovation

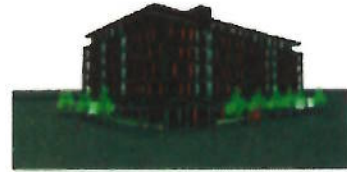
Development: Broadway at Center
Developer: Titan Investments
Purpose: Hotel/Residential/Retail
Subdistrict: Downtown Waterfront
Location: Broadway Ave. S and Center St. E.
Status: Proposed



Development: Bloom
Developer: Bloom Properties and City of Rochester
Purpose: Mixed-Use
Subdistrict: Downtown Waterfront
Location: Riverfront near Second St. SE and Broadway Ave. S
Status: Proposed

Active Projects in DMC District

Development: Flats on Fourth
Developer: Stencil Group
Purpose: Residential, Affordable Housing
Subdistrict: Downtown Waterfront
Location: Fourth St. and Third Ave. SE
Status: Under Construction



Development: Lofts at Mayo Park
Developer: Pougiales Trust properties
Purpose: Residential
Subdistrict: Downtown Waterfront
Location: Sixth Ave. SE
Status: Under Construction

Development: Heart of the City North
Developer: Hammes Company
Purpose: Hotel/Residential/Retail
Subdistrict: Central Station
Location: Center St. W. and First Ave. N.
Status: Proposed



Development: First Avenue Flats
Developer: Joseph Development
Purpose: Residential, Affordable Housing
Subdistrict: Central Station
Location: Civic Center Dr. and Broadway Ave. N.
Status: Under Construction

Development: Chateau Theatre
Developer: City of Rochester
Purpose: TBD
Subdistrict: Heart of the City
Location: Peace Plaza
Status: Studies Underway

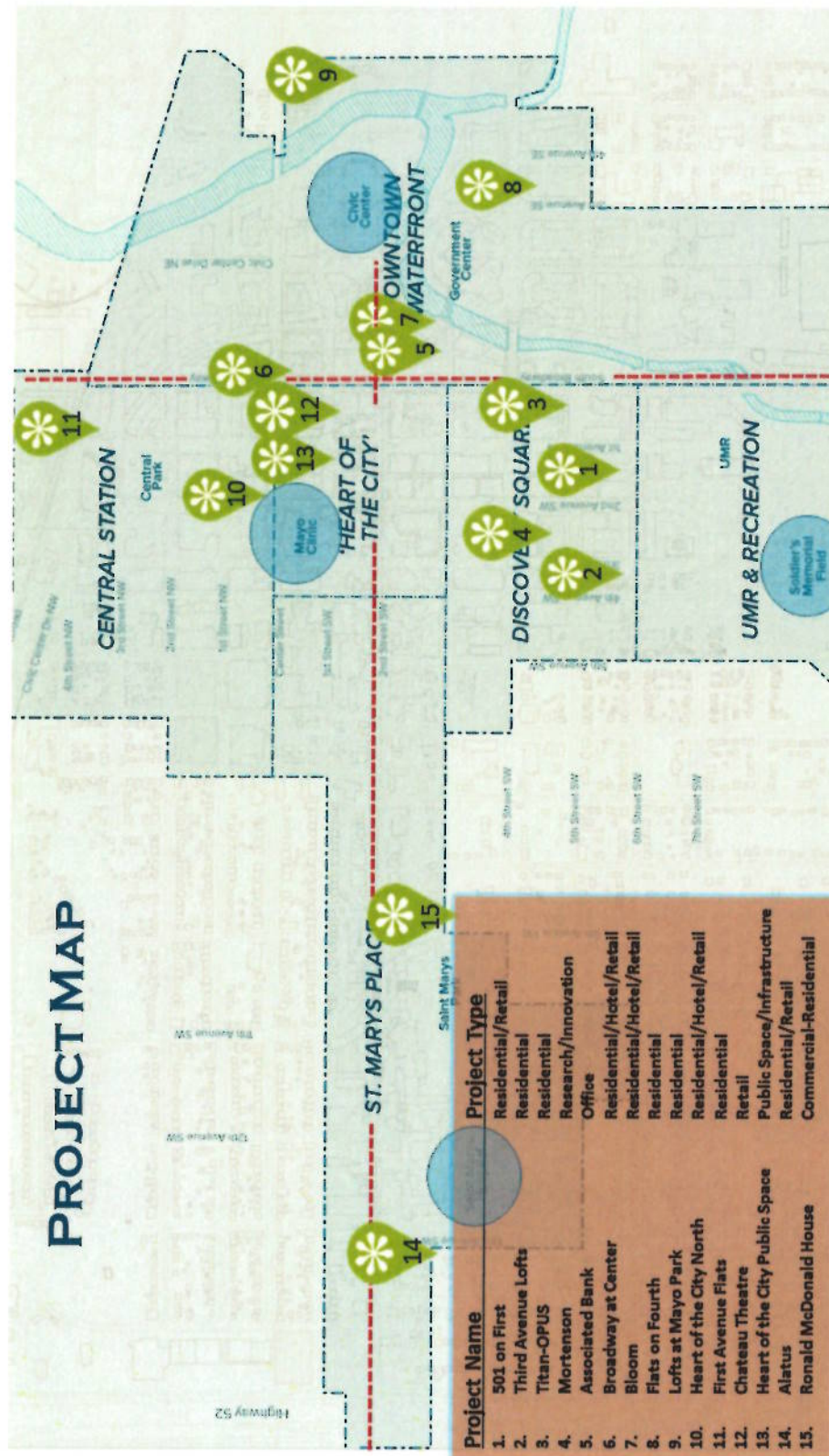


Development: Heart of the City Public Space
Developer: City of Rochester and RSP Architects
Purpose: Public Space
Subdistrict: Heart of the City
Location: Heart of the City
Status: Studies Underway

Development: Alatus Development
Developer: Alatus, LLC
Purpose: Residential, Retail
Subdistrict: Saint Marys Place
Location: Second St. SW and 14th Ave. SW
Status: Proposed



Active Projects in DMC District





Finance

- DMC EDA is undertaking its year-end-forecasting.
- Review of the proposed 2017 City of Rochester DMC District Capital Improvement Plan began.
- As of August 31, 62.5% of the 2016 DMC EDA budget remains for the year.

Operations

- City of Rochester and DMC EDA staff worked with the ad-hoc DMCC budget group to develop a workplan that achieves the goals of the DMC development plan and complements the work of the City and County administrations. The 2017 DMC EDA budget is also under development and will support the workplan.
- EDA Staff continue to work with the City of Rochester and SRF Consulting on DMC transportation issues and studies, including planning transit study coordination meetings in September 2016.
- The position description for the McKnight Foundation-supported Energy and Sustainability Coordinator has been posted and interest from candidates has been strong.



Patient & Visitor Experience

- Formed team to continue technical planning for wayfinding mobile application.

Communications and Marketing

- Finalized 2016 media plan for marketing to target key stakeholders including investors and thought leaders and industry executives in real estate development and life sciences to create a call to action to engage with DMC.
- Began creating business development materials for conferences, events, and presentations to support a broader awareness campaign for 2017.
- Executed integrated marketing and communications strategy with Rochester Downtown Alliance and the Rochester Art Center to support PlaceMakers Rochester Prototyping Festival. The campaign created high levels of engagement and extensive visitation on the DMC, RDA and RAC communication platforms (Facebook, Twitter, Instagram, etc.) and more than 5,000 participants.

Outreach and Community Engagement

- Reached cities in surrounding counties and beyond focused on driving economic development and building workforce opportunities in Minnesota:
 - Partnered with Rochester Area Chamber of Commerce and provided keynote presentation at Southeast Minnesota Economic Development Summit.
 - Attended Southeast Minnesota Initiative Foundation's Entrepreneurial Bridge.
 - Hosted a reception and participated in a panel with key business leaders at the Minnesota Council of Chamber Executive conference.
 - Presented to Minnesota Commercial Real Estate Women and American Society of Engineering Companies.
- Strengthened collaborative partnerships with organizations focused on healthcare innovation:
 - Attended Mayo Clinic Center for Innovation's Transform 2016 Conference and hosted a DMC event to network and share DMC strategy with presenters and participants.
 - Participated on a panel discussion reaching investors from around the country and hosted company pitches featuring several emerging healthcare companies that are transforming the way healthcare is delivered.
 - Presented at World Medical Tourism conference and Global Healthcare Congress in Washington, DC.
- Engaged with government and public officials on the DMC strategy related to workforce opportunities:
 - Presented to the Mexican Consul at a roundtable discussion with Mayo Clinic.
 - Participated in roundtable discussion with Latino community leaders and James Burroughs, the State of Minnesota's Chief Inclusion Officer.
 - Presented to legislative staff as part of a visit to the UMR campus.
 - Presented DMC update to MNDOT's Right of Way Workshop.

Breadth... How many people are connecting with DMC on our social media channels?



Twitter: Our followers grew 2 percent to 4,264. On average, each tweet reached 443 people.



LinkedIn: We started our company page in July 2016.



Facebook: Our fan base grew 1.85 percent to 4,264. On average, we reached 892 people per non-paid post in September.



YouTube: We have more than 7,643 views of our videos.



Instagram: Our fan base grew 4.3 percent during the past month to 461.

Breadth and Engagement... How are people are connecting with DMC via our newsletter?

Newsletter – September Issue 1: 09.07.16 – PlaceMakers Special Edition

- The issue was delivered to 1,908 readers (99.5% successful deliveries)
- It was opened by 681 users (35.7% - industry average is 22.8%)
- 153 people clicked on one or more of the links (8.0% - industry average is 2.3%)

Top links clicked:

1. Post: PlaceMakers schedule announced
2. Post: Experience PlaceMakers | Rochester Prototyping Festival
3. Post: The Artery? SWAMP? Read on to learn more about the 16 prototypes
4. Event: PlaceMakers | Rochester Prototyping Festival
5. Link: RDA PlaceMakers landing page

Newsletter – September Issue 2: 09.13.16 – Regular Edition

- The issue was delivered to 1,906 readers (99.4% successful deliveries)
- It was opened by 635 users (33.3% - industry average is 22.8%)
- 164 people clicked on one or more of the links (8.6% - industry average is 2.3%)

Top links clicked:

1. Video: Meet the Makers
2. Post: Mayo Clinic selects developer for discovery square
3. Post: Q & A with Dr. Jeanne Huddleston, Mayo Clinic CFI
4. News Link: Biz Journals: Harbor Bay makes \$5M bet on downtown Rochester
5. Event: PlaceMakers Reception EventBrite Invitation



Direct Engagement... What content did people interact with on [Twitter](#)?

1



Twitter: Sep 25 – “DMC's @lisamclarke1 has taken the stage @ the World Medical Tourism & Global Healthcare Congress #WMTC16. Learn more medicaltourismcongress.com”

- Seen by users 863 times
- 26 people interacted with the tweet (liked, retweeted, clicked, followed, or replied)

2



Twitter: Sep 26 – “Four transportation consulting teams gathered in #rochmn last week to explore options and advance the #DMCMN vision. dmc.mn/transportation...”

- Seen by users 789 times
- 10 people interacted with the tweet (liked, retweeted, clicked, followed, or replied)

3



Twitter: Sep 13 – “The power of connectedness...pride, strength, progress, momentum. ” [@dmcmn](https://twitter.com/dmcmn) [@rochmnchamber](https://twitter.com/rochmnchamber) pic.twitter.com/mxbaCd92f6”

- Seen by users 758 times
- Nine people interacted with the tweet (liked, retweeted, clicked, followed, or replied)

facebook

Direct Engagement... What content did people interact with on [Facebook](#)?

1



Facebook: Sep 25 – Boosted link: “DMC executive director Lisa Clarke is currently speaking at the 9th Annual World Medical Tourism & Global Healthcare Congress [#WMTC16](#). Medical tourism investment is growing 20% annually worldwide. All countries need to strategize and capitalize on global healthcare opportunities for their constituents and patients. Learn more about the conference at medicaltourismcongress.com.”

- Boosted
- Seen by 432,101 users
- 754 people reacted, commented, and/or shared the post

2



Facebook: Sep 16 – Facebook Live video from PlaceMakers Festival: “[#diversitycouncilmn](#) [#rochmn](#) [#dmcmn](#) [#RACtivist](#) [#downtownrochester#placemakers](#)”

- Seen by 3,572 users
- 1,230 video views with avg. watch time of 0:09 seconds
- 120 people reacted, commented, and/or shared the post

3



Facebook: Sep 16 – Facebook Live video from PlaceMakers Festival: “[#rochmn](#) [#placemakers](#) [#placemakersmps](#) [#downtownrochester](#) [#dmcmn#RACtivist](#)”

- Seen by 2,925 users
- 1,094 video views with avg. watch time of 0:17 seconds
- 145 people reacted, commented, and/or shared the post

Blog

Direct Engagement... What content did people interact with on the dmc.mn blog?

DMC.MN Blog:

- The blog's landing page page was visited 529 times. 419 of those views were by unique visitors.
- The average read time on the blog's landing page was 01:26.

Top blog posts clicked:

1. [Mayo Clinic selects developer for Discovery Square](#)
The page was viewed by 639 unique visitors with an average read time of 01:47.
2. [Q&A with Dr. Jeanne Huddleston, Mayo Clinic Center for Innovation](#)
The page was viewed by 126 unique visitors with an average read time of 01:59.
3. [The Artery? SWAMP? Read on to learn more about the 16 prototypes on display at PlaceMakers](#)
The page was viewed by 119 unique visitors with an average read time of 02:17.
4. [Video: Meet the Makers for PlaceMakers](#)
The page was viewed by 94 unique visitors with an average read time of 02:59.
5. [Transportation studies: Advancing the DMC vision](#)
The page was viewed by 58 unique visitors with an average read time of 02:22.

IN THE NEWS

Public Relations... What content generated media attention?

DMC in the News:

- There have been 624 DMC-related stories in 2016 with an average of 69 stories per month.
- During September, there were 77 stories published that referenced DMC.

September Highlights:

Sep 1 - Post-Bulletin, Rochester, MN

[Hospitality booms: 3 million visit Rochester in 2015](#) (Mention)

Sep 6 - MSP Business Journal, Minneapolis, MN

[Mortenson picked to build Mayo Clinic's Discovery Square in Rochester](#) (Development)

Sep 8 - Finance & Commerce, Minneapolis, MN

[Rochester council gives RSP final nod for 'Heart of the City'](#) (DMC Plan)

Sep 13 - KAAL-TV, Rochester, MN

[Regional Business Leaders Discuss Local Economic Growth](#) (Mention)

Sep 15 - WKOW-TV, Madison, WI

[First-ever Rochester Prototyping Festival explores creativity, innovation](#) (Prototyping)

Sep 16 - KUOW FM, Seattle, WA

[Rochester hopes creative installations spark talk of downtown's future](#) (Prototyping)

Sep 21 - Finance & Commerce, Minneapolis, MN

[Developers: Rochester spins to big projects, small-town desires](#) (Development)

Sep 21 - Post-Bulletin, Rochester, MN

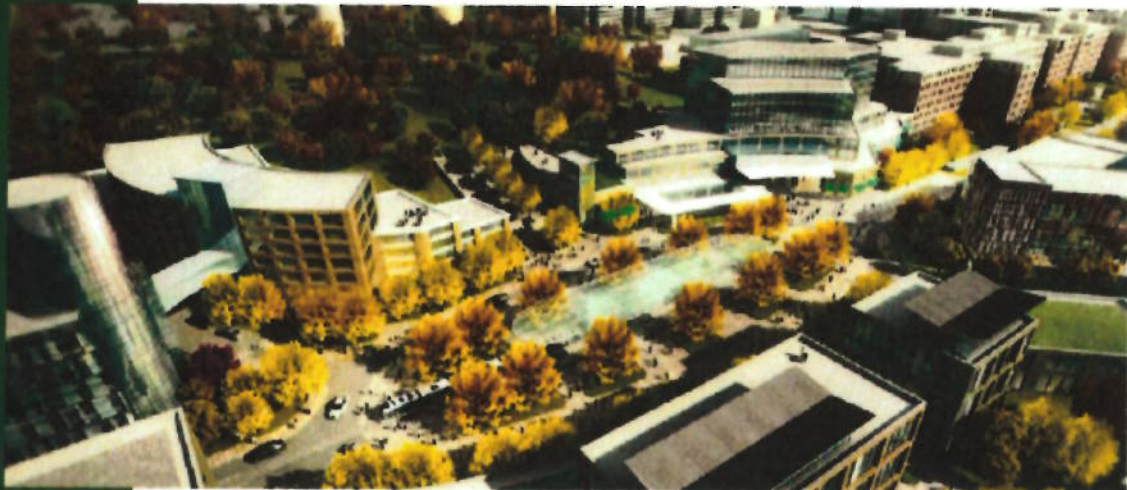
[Experts tour Rochester for future DMC transit needs](#) (DMC Plan)

Sep 30 - PR Week, New York, NY

[Mayo Clinic's John Noseworthy on comms' role in healthcare](#) (Mention)

Major Tasks for Next 60 Days

- Assist three major development projects in advancing their project proposals for consideration by DMCC board and City of Rochester in December.
- Implement marketing plan and develop creative assets for Q4 2016 conferences and for 2017 workplan.
- Assist SRF Consulting and City of Rochester to advance transportation studies.
- Incorporate enhancements to the DMC website in support of 2017 marketing campaign.
- Coordinate event participation, including: AdvaMed Conference, Inter-City Leadership Visit, Global Entrepreneurship Week, Minnesota AIA, and Waseda University (Tokyo) Symposium on Cities for Health.
- Finalize the 2017 budget and workplan for action by DMC Corporation Board of Directors and Rochester City Council.
- Complete Saint Marys Place public realm design process.
- Advance Heart of the City design, with anticipated presentation to DMCC board in December.
- Advance Chateau Theatre reuse and business/governance model in anticipation of a presentation to DMCC board in December.



Destination Medical Center 2017 Preliminary Marketing and Media Plan

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
EVENTS & KEY CONFERENCES	Jan 24-26: Manger Board Jan 25-26: Oklahoma/REB in SF Feb 2-3: NYC Feb 3-4: NYU Feb 4-5: NYC Feb 5-6: NYC Feb 6-7: NYC Feb 7-8: NYC Feb 8-9: NYC Feb 9-10: NYC Feb 10-11: NYC Feb 11-12: NYC Feb 12-13: NYC Feb 13-14: NYC Feb 14-15: NYC Feb 15-16: NYC Feb 16-17: NYC Feb 17-18: NYC Feb 18-19: NYC Feb 19-20: NYC Feb 20-21: NYC Feb 21-22: NYC Feb 22-23: NYC Feb 23-24: NYC Feb 24-25: NYC Feb 25-26: NYC Mar 2-3: NYC Mar 3-4: NYC Mar 4-5: NYC Mar 5-6: NYC Mar 6-7: NYC Mar 7-8: NYC Mar 8-9: NYC Mar 9-10: NYC Mar 10-11: NYC Mar 11-12: NYC Mar 12-13: NYC Mar 13-14: NYC Mar 14-15: NYC Mar 15-16: NYC Mar 16-17: NYC Mar 17-18: NYC Mar 18-19: NYC Mar 19-20: NYC Mar 20-21: NYC Mar 21-22: NYC Mar 22-23: NYC Mar 23-24: NYC Mar 24-25: NYC Mar 25-26: NYC Apr 2-3: NYC Apr 3-4: NYC Apr 4-5: NYC Apr 5-6: NYC Apr 6-7: NYC Apr 7-8: NYC Apr 8-9: NYC Apr 9-10: NYC Apr 10-11: NYC Apr 11-12: NYC Apr 12-13: NYC Apr 13-14: NYC Apr 14-15: NYC Apr 15-16: NYC Apr 16-17: NYC Apr 17-18: NYC Apr 18-19: NYC Apr 19-20: NYC Apr 20-21: NYC Apr 21-22: NYC Apr 22-23: NYC Apr 23-24: NYC Apr 24-25: NYC Apr 25-26: NYC May 2-3: NYC May 3-4: NYC May 4-5: NYC May 5-6: NYC May 6-7: NYC May 7-8: NYC May 8-9: NYC May 9-10: NYC May 10-11: NYC May 11-12: NYC May 12-13: NYC May 13-14: NYC May 14-15: NYC May 15-16: NYC May 16-17: NYC May 17-18: NYC May 18-19: NYC May 19-20: NYC May 20-21: NYC May 21-22: NYC May 22-23: NYC May 23-24: NYC May 24-25: NYC May 25-26: NYC Jun 2-3: NYC Jun 3-4: NYC Jun 4-5: NYC Jun 5-6: NYC Jun 6-7: NYC Jun 7-8: NYC Jun 8-9: NYC Jun 9-10: NYC Jun 10-11: NYC Jun 11-12: NYC Jun 12-13: NYC Jun 13-14: NYC Jun 14-15: NYC Jun 15-16: NYC Jun 16-17: NYC Jun 17-18: NYC Jun 18-19: NYC Jun 19-20: NYC Jun 20-21: NYC Jun 21-22: NYC Jun 22-23: NYC Jun 23-24: NYC Jun 24-25: NYC Jun 25-26: NYC Jul 2-3: NYC Jul 3-4: NYC Jul 4-5: NYC Jul 5-6: NYC Jul 6-7: NYC Jul 7-8: NYC Jul 8-9: NYC Jul 9-10: NYC Jul 10-11: NYC Jul 11-12: NYC Jul 12-13: NYC Jul 13-14: NYC Jul 14-15: NYC Jul 15-16: NYC Jul 16-17: NYC Jul 17-18: NYC Jul 18-19: NYC Jul 19-20: NYC Jul 20-21: NYC Jul 21-22: NYC Jul 22-23: NYC Jul 23-24: NYC Jul 24-25: NYC Jul 25-26: NYC Aug 2-3: NYC Aug 3-4: NYC Aug 4-5: NYC Aug 5-6: NYC Aug 6-7: NYC Aug 7-8: NYC Aug 8-9: NYC Aug 9-10: NYC Aug 10-11: NYC Aug 11-12: NYC Aug 12-13: NYC Aug 13-14: NYC Aug 14-15: NYC Aug 15-16: NYC Aug 16-17: NYC Aug 17-18: NYC Aug 18-19: NYC Aug 19-20: NYC Aug 20-21: NYC Aug 21-22: NYC Aug 22-23: NYC Aug 23-24: NYC Aug 24-25: NYC Aug 25-26: NYC Sep 2-3: NYC Sep 3-4: NYC Sep 4-5: NYC Sep 5-6: NYC Sep 6-7: NYC Sep 7-8: NYC Sep 8-9: NYC Sep 9-10: NYC Sep 10-11: NYC Sep 11-12: NYC Sep 12-13: NYC Sep 13-14: NYC Sep 14-15: NYC Sep 15-16: NYC Sep 16-17: NYC Sep 17-18: NYC Sep 18-19: NYC Sep 19-20: NYC Sep 20-21: NYC Sep 21-22: NYC Sep 22-23: NYC Sep 23-24: NYC Sep 24-25: NYC Sep 25-26: NYC Oct 2-3: NYC Oct 3-4: NYC Oct 4-5: NYC Oct 5-6: NYC Oct 6-7: NYC Oct 7-8: NYC Oct 8-9: NYC Oct 9-10: NYC Oct 10-11: NYC Oct 11-12: NYC Oct 12-13: NYC Oct 13-14: NYC Oct 14-15: NYC Oct 15-16: NYC Oct 16-17: NYC Oct 17-18: NYC Oct 18-19: NYC Oct 19-20: NYC Oct 20-21: NYC Oct 21-22: NYC Oct 22-23: NYC Oct 23-24: NYC Oct 24-25: NYC Oct 25-26: NYC Nov 2-3: NYC Nov 3-4: NYC Nov 4-5: NYC Nov 5-6: NYC Nov 6-7: NYC Nov 7-8: NYC Nov 8-9: NYC Nov 9-10: NYC Nov 10-11: NYC Nov 11-12: NYC Nov 12-13: NYC Nov 13-14: NYC Nov 14-15: NYC Nov 15-16: NYC Nov 16-17: NYC Nov 17-18: NYC Nov 18-19: NYC Nov 19-20: NYC Nov 20-21: NYC Nov 21-22: NYC Nov 22-23: NYC Nov 23-24: NYC Nov 24-25: NYC Nov 25-26: NYC Dec 2-3: NYC Dec 3-4: NYC Dec 4-5: NYC Dec 5-6: NYC Dec 6-7: NYC Dec 7-8: NYC Dec 8-9: NYC Dec 9-10: NYC Dec 10-11: NYC Dec 11-12: NYC Dec 12-13: NYC Dec 13-14: NYC Dec 14-15: NYC Dec 15-16: NYC Dec 16-17: NYC Dec 17-18: NYC Dec 18-19: NYC Dec 19-20: NYC Dec 20-21: NYC Dec 21-22: NYC Dec 22-23: NYC Dec 23-24: NYC Dec 24-25: NYC Dec 25-26: NYC											
VERTICAL DIGITAL												
PROGRAMMATIC DIGITAL												
SOCIAL MEDIA												
PUBLIC RADIO												
CONTENT + NATIVE												
REGIONAL SPONSORSHIP												
PUB SEARCH												

Clarity Coverage FY17
Prepared 10.5.16

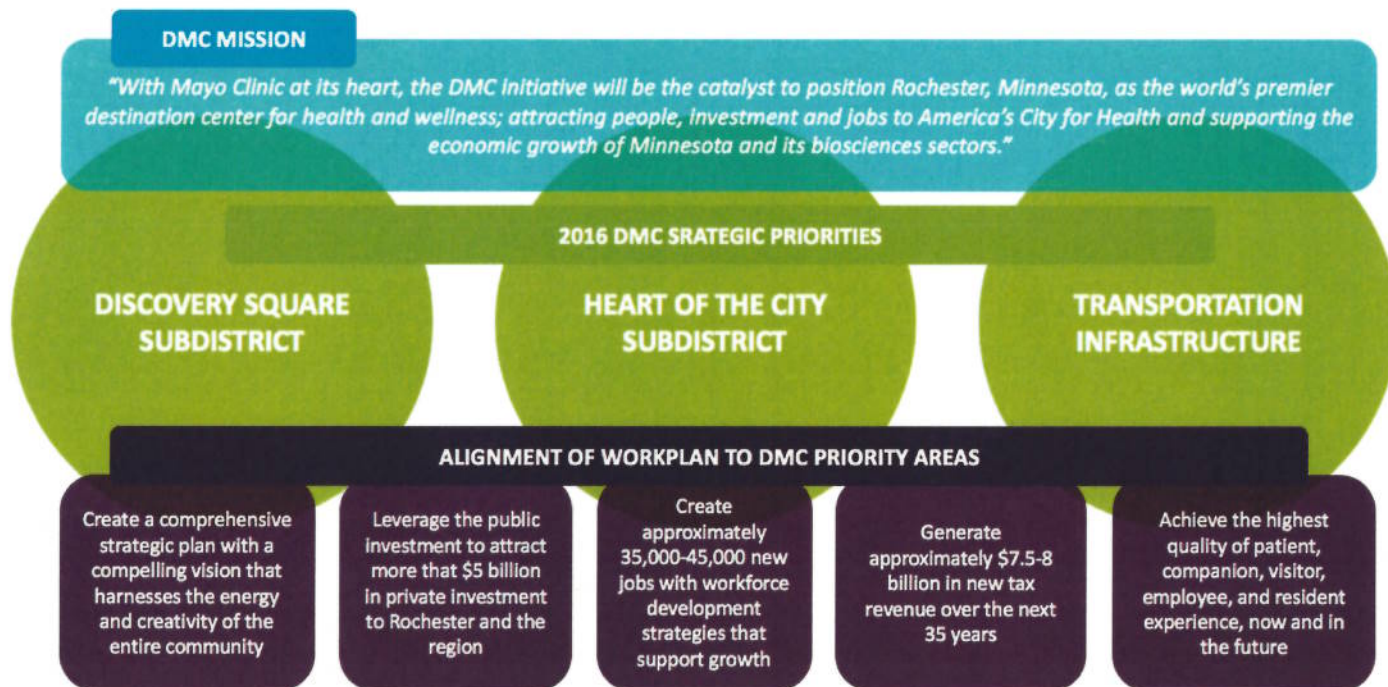
BACKGROUND / STATUTORY FRAMEWORK

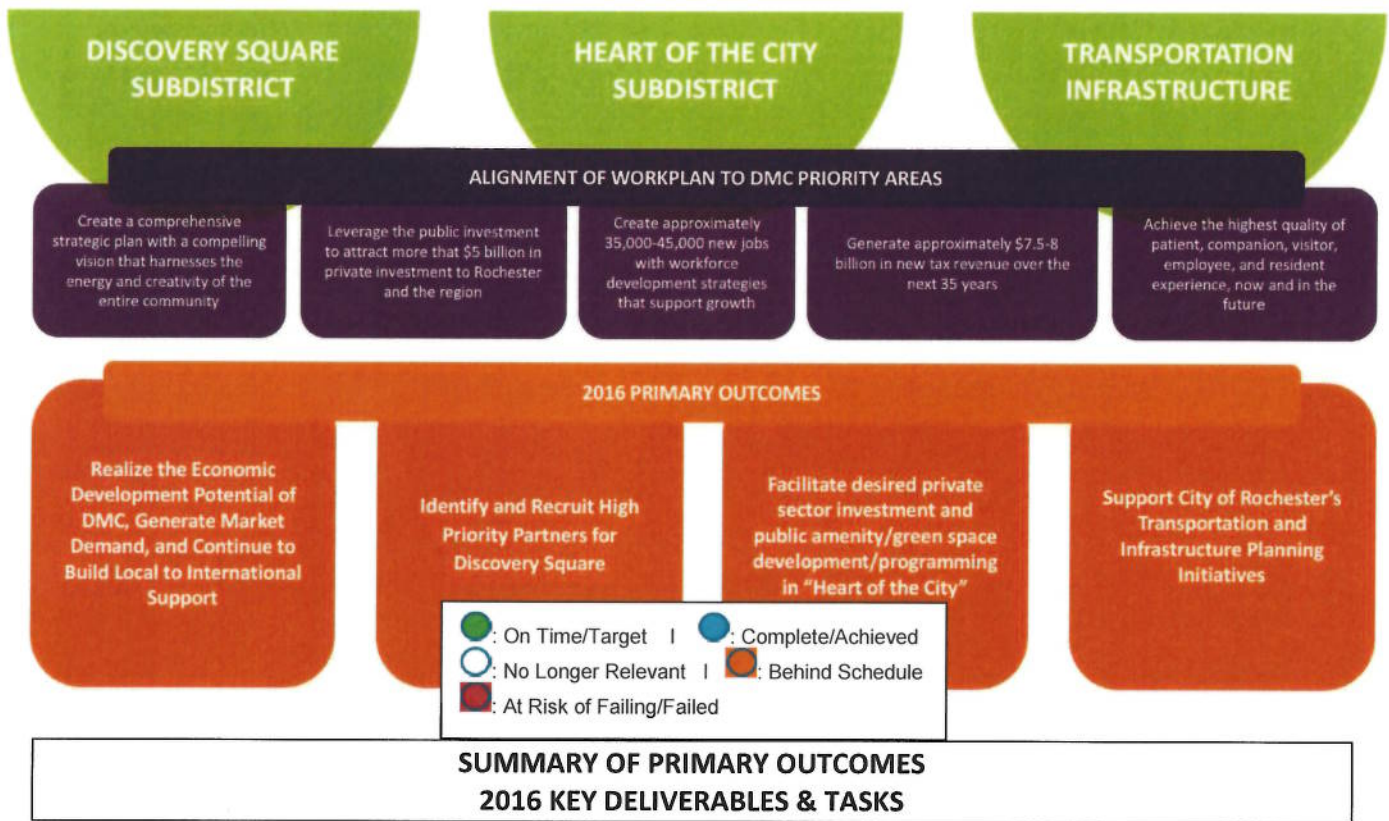
- In 2016, the Destination Medical Center (“DMC”) initiative will be firmly rooted in the implementation phase of work.
- The work to be undertaken is just as envisioned by lawmakers and the executive branch in 2013, and even more tangible and important today with the backing of a strong Development 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.





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

STATUS: ●

COMMENTS: Hosted a DMC event with Medical Alley Association and Mayo Clinic Center for Individualized Medicine (CIM). The event included entrepreneurial networking and "minute pitches" opportunities with entrepreneurs from around the country.

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

LEAD

STATUS: ●

COMMENTS: Discovery Square marketing materials and presentations have been created and/or updated since the Discovery Square announcement at the BIO International Conference and the selection of M.A. Mortenson as a development partner. Heart of the City public space design efforts are ongoing through 2017.

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

LEAD

for personal outreach or briefings.

STATUS: ●

COMMENTS: Cultivation of thought leader list is ongoing; approximately three-quarters of the list has been populated, and list members are added to DMC newsletter updates. Small, strategically targeted stakeholder groups and individual continue to be engaged in the DMC initiative, including the Minnesota Chamber of Commerce Executives, Greater MSP, and others.

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

STATUS: ●

COMMENTS: Local, state, and national media have been engaged in and reporting on the DMC initiative, including extensive media coverage following the BIO International Conference and M.A. Mortenson development partner announcements and the prototyping festival.

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

STATUS: ●

COMMENTS: Partnerships with DEED, Medical Alley, RAEDI, Mayo Clinic Ventures, the University of Minnesota, local higher education institutions, and ICLV are expanding DMC leadership in building the ecosystem for entrepreneurs and bio-med-tech businesses. Strategic events, including the Heart of the City Community Advisory Committee meetings, the Saint Marys Place working group meetings and Conley-Maass open house, engage key stakeholders during critical moments in the development of each subdistrict.

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

STATUS: ●

COMMENTS: Website redesign meetings are underway and will align with the 2017 marketing plan.

Track private investment into DMC that counts towards the \$200 million threshold that triggers the General State Infrastructure Aid ("GSIA").

LEAD, PARTICIPATE

STATUS: ●

COMMENTS: Annual private investment totals are reported to DEED by April 1 of each year, and DEED certifies private investment by September 1. Private investment of \$152 Million was certified by MN DEED in 2016.

Meet 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

PARTICIPATE

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.

STATUS: ●

COMMENTS: DMC EDA staff serve on community and regional boards representing energy and sustainability, targeted businesses, and arts and culture. DMC will retain support staff for energy/sustainability through a grant through the McKnight Foundation. DMC has hosted events related to historic preservation in the DMC district. The DMC Metrics Dashboard was presented to the DMCC board in Q3 2016.

Facilitate/assist with programming and placemaking related to public spaces.

STATUS: ●

COMMENTS: DMC collaborated with Rochester Downtown Alliance and the Rochester Art Center to introduce a strategic business development strategy related to urban design through prototyping. This focused on a theme of health and the built environment and coincided with Mayo Clinic’s Transform Conference. A design team led by RSP Architects was selected to lead the public realm design. The Saint Marys Place redesign process continues, and the design sprint was recently completed. DMC EDA is participating in the creation of design guidelines with the City of Rochester and the Metropolitan Design Center.

PARTICIPATE

Develop a strategy to engage stakeholders and facilitate discussions to position Rochester as the healthiest city in America.

STATUS: ●

COMMENTS: “Healthy City” goals are included in the 2017 workplan.

PARTICIPATE

Continue to foster, promote and support community voices that are, or will be users, of the downtown area (students, millennials, baby boomers, etc.)

STATUS: ●

COMMENTS: DMC EDA partnered with Winona State University students to develop a communication plan for attracting millennials to Rochester. The DMC EDA continues to increase the content and the quality of the blogs on entrepreneurs, innovators, local business and key stakeholders who are transforming Rochester as a world-class global destination.

PARTICIPATE

Meet with IBM to identify technology-based opportunities for priority area in DMC; present related strategic implementation plan by 3rd quarter of 2016.

STATUS: ●

COMMENTS: While DMC EDA has had numerous conversations with IBM related to the technology-based opportunities, the future priorities of a strategic partnership with IBM through its smarter cities initiatives is still being determined. Partnerships with other technology-focused companies continue to be developed.

PARTICIPATE

Identify and recruit high priority partners for “Discovery Square”

Launch DMC Discovery Square initiative at 2016 International BioConference, June 6th through 9th.

STATUS: ●

COMMENTS: DMC EDA and Mayo Clinic announced a major Discovery Square development at the 2016 BIO International Conference.

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.

STATUS: ●

COMMENTS: DMC has actively participated at local and international conferences, addressing key audiences including: AdvaMed 2016, the Mayo Clinic Transform and Individualized Medicine Conferences. The Inter-City Leadership Visit, the World Medical Tourism Conference, the American Institute of Architects Minneaota Annual Conference, the Economic Development Association of Minnesota, the Minnesota Chamber of Commerce Executives, and the Minnesota Public Transit Conference.

LEAD

Work with Mayo Clinic to identify a Developer for Discovery Square by 2nd quarter of 2016.

STATUS: ●

COMMENTS: M.A. Mortenson was selected as the developer of a significant portion of Discovery Square in August 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.).

STATUS: ●

COMMENTS: Regular meetings with key educational, entrepreneurial, and retail/dining/entertainment organizations include discussions related to marketing, workforce, the entrepreneurial ecosystem, and other topics which are integral to the success of Discovery Square.

PARTICIPATE

Meet not less than monthly with Mayo Clinic to complete Discovery Square feasibility study and project plan by February 1st, 2016.

STATUS: ●

COMMENTS: Feasibility study for Discovery Square completed on time.

PARTICIPATE

Meet monthly with Mayo Clinic/Mayo Ventures to begin recruitment of top 10 Bio-Med-Tech partners for Discovery Square in 2nd – 4th quarters of 2016.

STATUS: ●

COMMENTS: Mayo Clinic and DMC EDA continue to develop relationships in the bio-med-tech industry to identify potential partners for Discovery Square.

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

STATUS: ●

COMMENTS: Engagement of hospitality industry partners in Heart of the City will continue in parallel with the public space redesign.

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

STATUS: ●

COMMENTS: DMC EDA staff attended RECon, the Minnesota Real Estate Journal Conference, and the World Medical Tourism Conference.

Create workforce strategies targeted to Bio-Med-Tech, Construction, and Hospitality industries.

LEAD,
PARTICIPATE

STATUS: ●

COMMENTS: DMC EDA staff participate in ongoing workforce initiatives, including the Rochester Area Chamber of Commerce "HubWorks" program, SE MN Together and RochesterWerks and Journey to Growth.

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

STATUS: ●

COMMENTS: The Experience Accreditation program has been launched, and DMC EDA staff meet regularly with the Mayo Clinic Office of Patient Experience, RCVB, RDA, RAEDI, and the Rochester Area Chamber of Commerce. Specific initiatives, like Rochester's Nice Ride program, involved other community partners like Rochester Park and Recreation.

Work with the City of Rochester and Mayo Clinic to finalize Phase 1 priorities for desired public and private developments in downtown Rochester.

PARTICIPATE

STATUS: ●

COMMENTS: Through the joint development process and various work groups, the City of Rochester, Mayo Clinic, and DMC EDA are aligned with proposed public and private investment to the vision of the DMC development plan.

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

Add Web Site information to highlight future transportation options/alternatives.

LEAD

STATUS: ●

COMMENTS: The dmc.mn website redesign is scheduled for Q3/Q4 of 2016.

Utilize Mayo patient and employee research/resources to establish 5 key short- and long-term goals for Transportation initiatives.

PARTICIPATE

STATUS: ●

COMMENTS: Nice Ride Minnesota launched its bike share program in downtown Rochester in August 2016. The City and DMC Transit Program Manager SRF Consulting are leading the four key studies: street use, transit management authority/parking, downtown transit circulator, and city loop/bike/predestrian.

Assist City of Rochester and Olmsted County with Preliminary Engineering Studies/Concept Designs for Development Plan Phase 1 projects.

STATUS: ●

COMMENTS: DMC EDA is stewarding the plan by ensuring that the DMC plan and underlying research are top considerations as we undertake the transit studies and development projects come forward.

PARTICIPATE

Help align transportation/infrastructure needs to anticipated Mayo growth and other private investments (Mayo strategic transportation recommendations by 4th quarter of 2016).

STATUS: ●

COMMENTS: Mayo Clinic will share its five-year strategic plan in Q4 of 2016. Mayo Clinic facilities are a regular partner of DMC EDA. DMC EDA staff participate in regular transportation planning meetings.

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).

Status: ●

Comments: Transportation and Transit initiatives have been priority topics in our community outreach events. Neighborhood leaders have been engaged in planning in Saint Marys Place and will be engaged during the transportation planning process.

PARTICIPATE

**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

STATUS: ●

• **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

STATUS: ●

• **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

STATUS: ●

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.)

STATUS: ●

- **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

STATUS: ●

- **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

STATUS: ●

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

STATUS: ●

- **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

STATUS: ●

- **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

STATUS: ●

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

STATUS: ●

- **Compliance**

- Monitor Covenants of DMC Fund Loans/Grants

Design Guidelines

To: DMCC Board of Directors

From: DMC EDA Staff

Date: October 20, 2016

Background:

The City of Rochester contracted with the Metropolitan Design Center, University of Minnesota, to develop a set of urban design guidelines. Design Guidelines of this nature will assist developers and help their architects better understand the expectations the City has for project and public realm design. In other cities this has helped expedite the design and approval process because developers are not trying to speculate about the community's expectations.

There have been several public presentations of the guidelines during June, July, and August. On September 1, the Design Guidelines were presented to the City of Rochester Committee on Urban Design and Environment (CUDE), which offered significant constructive feedback.

Next Steps:

Following additional community input through public hearing process, the City Council may act to adopt the guidelines, either as advisory or as ordinance.

Energy Update

To: DMCC Board of Directors

From: EDA Staff

Date: October 20, 2016

Background:

With help from Center for Energy and Environment, McKnight Foundation, and the Energy Integration Committee, we developed a job description for our McKnight-funded Energy and Sustainability Manager position. The position has been posted and we have begun the interview process with qualified candidates.

The Energy Integration Committee includes representatives from the City of Rochester, Olmsted County, Mayo Clinic, Rochester Public Utilities, Minnesota Energy Resources Corp., and DMC EDA.

Next Steps:

Regularly scheduled calls with McKnight Foundation will continue to be held, and the Energy Integration Committee will continue to meet.

Prototyping Festival

To: DMCC Board of Directors

From: EDA Staff

Date: October 20, 2016

Background:

DMC has been working with Rochester Downtown Alliance and Rochester Art Center on a new program concept for Rochester called PlaceMaker | Rochester Prototyping Festival.

This year-long initiative began in January and will conclude with a final report and analysis in December, punctuated by numerous public events and activities, the most visible of which was the Sept 15-17 public display of project installations held in conjunction with Mayo Clinic Center for Innovation's Transform Conference. The campaign created high levels of engagement and extensive visitation on the DMC, RDA and RAC communication platforms (Facebook, Twitter, Instagram, etc.) with more than 5,000 participants. Twenty-three prototype proposals were submitted; 16 were selected for funding, development, and installation. Over 100 local and out of town individuals ranging from youth to professionals worked together to make up the 16 selected teams.

Prototyping is a way of studying the impact of a project or methodology before investing in the generally high cost of final design and installation. This approach is being used in the urban environment to test out new and creative solutions to city building challenges.

The theme for our program this year is Health and the Built Environment.

Announced on October 11th DMC, RDA and RAC were the proud recipients of a 2016 Ardee Award in the Arts Collaboration category for prototyping.



Next Steps:

Preparing final report and analysis.

TO: Jim Bier, Treasurer
Kathleen Lamb, Attorney

FR: Dale Martinson, Assistant Treasurer

Date: October 10, 2016

RE: September 2016 Financial Budget Summary



The attached summary for July reflects expenditures to date totaling \$ 1,248,027 of the 2016 budget of \$4,260,812. The total remaining 2016 budget of \$ 3,012,785 represents 71% of the original budget remaining with 3 months (25%) of the year remaining.

In the DMCC direct costs section, the \$3,817 expenditures in July was primarily building rent and accounting services associated with the IRS and State report filings.

The second page of this summary now reflects DMCC approved CIP project costs that are being implemented by the City. Total capital expenditures of \$7,342,216 primarily represents the Chateau Theater purchase as well as the various transit studies underway.

The DMC EDA costs are billed both through Master Application for Payments (MAPs) for outside contractors and through working capital loan advances for the EDA payroll and other operational expenses. DMC EDA Payroll and Operational expenses paid through July amounted to \$ 437,206 with contract payments through the MAP process totaling \$694,752. Details of those contract payments including remaining contract commitments can be found on the third through fifth pages of the summary as provided by the DMC EDA.

An additional MAP request for was submitted in October for September expenses in the amount of \$58,207. These costs are not reflected in the totals of the September report.

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

Destination Medical Center Corporation
 Financial Budget Summary
 September 2016

	2016 Approved Approved Budget	Current Month Sept 2016	Sept 2016 YTD	Amount Remaining	Percent Remaining
DMCC Board Expenses	36,612		573	36,039	98%
General Administrative Services	180,600	3,817	32,373	148,227	82%
Professional Services	780,600		83,123	697,477	89%
City Expenses	275,000	-	-	275,000	100%
Subtotal DMCC	1,272,812	3,817	115,069	1,156,743	91%
Third Party Costs - DMC EDA *					
Payroll, Staff, Administration & Benefits-EDA	777,000	13,395	437,206	339,794	44%
DMC EDA Operational Costs	163,000	2,832	26,376	136,624	84%
Economic Development Outreach & Support	495,000	15,995	37,650	457,350	92%
Professional Services	1,148,000	100,974	557,806	590,194	51%
Miscellaneous Expenses	405,000		72,920	332,080	82%
Subtotal EDA	2,988,000	133,196	1,131,958	1,856,042	62%
Total DMCC 2016	4,260,812	197,014	1,249,027	3,012,785	71%
* Note: An additional EDA MAP request for September Expenses totalling \$58,207.13 outstanding as of 9/30/2016 to be paid in October.					
		DMCC	Working Capital Note	1,000	
		EDA	Working Capital Note	50,000	

**DMCC Authorized CIP Projects
Managed by the City of Rochester**

As of September 30, 2016

DMCC Project	DMCC Project Revenues	DMCC Project Expenditures to Date	DMCC Project Budget
8611C- - Sn/S12AvSW/NW<2StSW>2StNW		3,940.13	300,000.00
8612C- - WZmbtRvtSn/SRifLin<CookPk>CCDr			200,000.00
8613C- - ChateauTheatrePre-OccupancyM&O	2,655.25	47,820.89	500,000.00
8614C- - DMCTransit&InfrastrctrPgrmMgmt	239,700.00	412,954.30	500,000.00
8617C- - Broadway @ Center Parking Ramp			10,500,000.00
8618C- - SharedParkingStudy&PrgmDevlpmnt		165,532.04	200,000.00
8620C- - City Loop Plan		116,546.44	200,000.00
8621C- - Transit Circulator Study	630,150.00	122,248.54	538,535.00
8623C- - DMCC Street Use Study	630,150.00	142,588.89	775,465.00
8624C- - ChateauTheatreBldgImprov/Purch	500,000.00	6,330,584.97	
Totals	2,002,655.25	7,342,216.20	13,714,000.00

Master Application for Payment
 Destination Medical Center Economic Development Agency

Application Details		
Application Number:	August 2016	
Application Date:	9/1/2016	
Period From:	8/1/2016	
Period To:	8/31/2016	
Sources of Funds:		
City Contribution	\$ 119,801.46	\$ 2,988,188.00
-	\$ -	\$ 2,988,188.00
-	\$ -	
-	\$ -	
Total Sources	\$ 119,801.46	\$ 696,554.69

Statement of Project		
Original 2016 Budget		\$ 2,988,188.00
Current 2016 Budget		\$ 2,988,188.00
Total completed to date via MAP process		
Retainage to Date		\$ -
Total completed via MAP process less retainage		\$ 696,554.69
Less previous Map requests		\$ 576,753.23
Current MAP Request Amount Due		\$ 119,801.46
2016 operational expenses funded to date		
Total 2016 City Contribution		\$ 422,774.43
% of 2016 Budget		37.5%

Uses of Funds:		
EDA Staff Costs	\$ -	
EDA Operational Costs	\$ 2,832.00	
Econ Dev Outreach & Support	\$ 15,995.00	
Professional Services	\$ 100,974.46	
Miscellaneous Costs	\$ -	
Total Uses	\$ 119,801.46	

Approvals		
EDA:		Date
DMDC:		Date

MAP for undisputed labor, services, or materials

Master Application for Payment

Destination Medical Center Economic Development Agency

Master Application For Payment Detail: Aug 2016

9/1/2016

DMC EDA P&L Description	Vendor	Contract #	Previous Billings	Current Work in Place	Total Work to Date
EDA Staff Costs					
Payroll	Smart-Fill	NA	\$ 1,803.15	\$ -	\$ 1,803.15
			\$ 1,803.15	\$ -	\$ 1,803.15
EDA Operational Costs					
Website, Drafting, Hosting	Brandhoot	4043	\$ 23,543.62	\$ 2,832.00	\$ 26,375.62
Website, Drafting, Hosting	Brandhoot	NA	\$ 22,092.00	\$ 2,832.00	\$ 24,924.00
IT Hardware & Support	Data Smart	4044	\$ 210.00	\$ -	\$ 210.00
			\$ 1,241.62	\$ -	\$ 1,241.62
Econ Dev Outreach & Support					
Conferences, Meetings, Travel & Sponsorships	DEED	NA	\$ 21,655.00	\$ 15,995.00	\$ 37,650.00
Outreach, Print & Collateral	Fuse Digital	4042	\$ 5,000.00	\$ -	\$ 5,000.00
Outreach, Print & Collateral	Journal Communications	NA	\$ 2,025.00	\$ -	\$ 2,025.00
Conferences, Meetings, Travel & Sponsorships	Minnesota Chamber of Commerce Exec	NA	\$ 8,755.00	\$ -	\$ 8,755.00
Conferences, Meetings, Travel & Sponsorships	RCTC	NA	\$ 450.00	\$ 14,995.00	\$ 15,445.00
Conferences, Meetings, Travel & Sponsorships	Rochester Area Chamber of Commerce	NA	\$ 600.00	\$ -	\$ 600.00
Conferences, Meetings, Travel & Sponsorships	Rochester City Lines	NA	\$ 3,950.00	\$ 300.00	\$ 4,250.00
Conferences, Meetings, Travel & Sponsorships	Rochester Downtown Alliance	NA	\$ -	\$ 700.00	\$ 700.00
Conferences, Meetings, Travel & Sponsorships	Rochester Trolley & Tour Company	NA	\$ 750.00	\$ -	\$ 750.00
			\$ 125.00	\$ -	\$ 125.00
Professional Services					
Other Contracting Services	Brandhoot	4016	\$ 456,831.36	\$ 100,974.46	\$ 557,805.82
Other Contracting Services	Catharine Jones	4058	\$ 4,367.52	\$ -	\$ 4,367.52
Marketing Communications & Advertising	Clarity Coverdale Fury (CCF)	4052	\$ 7,185.00	\$ 375.00	\$ 7,560.00
Marketing Communications & Advertising	Clarity Coverdale Fury (CCF)	NA	\$ 106,755.00		\$ 106,755.00
Financial Reporting Services	CliftonLarsonAllen	NA	\$ 3,700.00	\$ 74,100.00	\$ 77,800.00
Financial Reporting Services	Lund Tax & Accounting	NA	\$ 2,950.00		\$ 2,950.00
Other Contracting Services	Deluxe	NA	\$ 720.00	\$ 2,557.50	\$ 3,277.50
Other Contracting Services	EJ Photography	NA	\$ 643.02		\$ 643.02
Other Contracting Services	Gina Osmond	NA	\$ 350.00		\$ 350.00
Other Contracting Services	Himle Rapp	4056	\$ 1,312.50		\$ 1,312.50
Other Contracting Services	Imagebridge Design	4061	\$ 97,878.00	\$ 11,171.96	\$ 109,049.96
Other Contracting Services	Inspire MN, LLC	NA	\$ 23,460.00	\$ 1,620.00	\$ 25,080.00
Other Contracting Services	Majestic Tents & Events	NA	\$ 50,435.00	\$ 9,800.00	\$ 60,235.00
			\$ 1,538.94	\$ -	\$ 1,538.94

MAP for undisputed labor, services, or materials

Master Application for Payment

Destination Medical Center Economic Development Agency

Master Application For Payment Detail: Aug 2016		9/1/2016			
Other Contracting Services	MarketBelle	4055	\$ 20,328.00	\$ -	\$ 20,328.00
Other Contracting Services	Mayo Clinic	NA	\$ 3,877.43	\$ -	\$ 3,877.43
Other Contracting Services	Medical Alley	NA	\$ 1,575.00	\$ 750.00	\$ 2,325.00
Other Contracting Services	Michael Best	NA	\$ 200.00	\$ -	\$ 200.00
Other Contracting Services	Momenturn	NA	\$ 2,000.00	\$ 600.00	\$ 2,600.00
Other Contracting Services	Neisen BioMedical	4057	\$ 53,713.95	\$ -	\$ 53,713.95
Other Contracting Services	Neison Nygaard	NA	\$ 1,235.00	\$ -	\$ 1,235.00
Other Contracting Services	Our City	NA	\$ 16,260.00	\$ -	\$ 16,260.00
Other Contracting Services	St Paul River Front Corporation	NA	\$ 5,747.00	\$ -	\$ 5,747.00
Other Contracting Services	Terra Eclipse, Inc.	NA	\$ 21,600.00	\$ -	\$ 21,600.00
Other Contracting Services	Wildier Research	4054	\$ 16,500.00	\$ -	\$ 16,500.00
Other Contracting Services	University of Minnesota	4053	\$ 12,500.00	\$ -	\$ 12,500.00
Miscellaneous Costs					
Insurance & Taxes	Aon Risk Services		\$ 72,920.10	\$ -	\$ 72,920.10
			\$ 72,920.10	\$ -	\$ 72,920.10
Project Total			\$ 576,753.23	\$ 149,801.46	\$ 696,554.69

MAP for undisputed labor, services, or materials

Master Application for Payment
 Destination Medical Center Economic Development Agency

Vendor Name	Description	Contract #	Invoice #	Invoice Date	Invoice Amount
Brandroot	Website Maintenance Agreement	4043	1463	8/17/2016	\$ 2,832.00
Caithrine Jones	Communications Support (August)	4058	6	8/19/2016	\$ 375.00
Clarity Conclude Fury	Project Order #6; media/marketing project	PO #6	0409-5154	8/8/2016	\$ 2,100.00
Clarity Conclude Fury	Project Order #8; Media Expenses	PO #8	038230-0000	9/1/2016	\$ 72,000.00
Himle Rapp & Co., Inc.	Consulting Services - July	N/A	0715	8/4/2016	\$ 11,171.56
Image Bridge	Design Support	4061	16110	9/1/2016	\$ 1,620.00
Inspire MN	Communications Support (August)	PO #1023	111-1	8/31/2016	\$ 6,142.50
Inspire MN	Event Support (August)	PO #1022	111-2	8/31/2016	\$ 3,657.50
Lund Tax & Accounting	Accounting Support	N/A	2081	8/31/2016	\$ 2,557.50
Minneapolis Regional Chamber of Commerce	Presenting Sponsorship includes brand presence for the entire ICIV program; hosted breakfast, lunch, dinner or working session at Johari's Hopkins or University of Maryland; session presentation; speaking at opening event	N/A	100582	3/26/2016	\$ 14,995.00
Momentum	2017 Staff Planning	N/A	2016-012	8/11/2016	\$ 600.00
Rochester Area Chamber of Commerce	SE MIN Economic Form Table; Clarke, Seeb and four guests attending (business development opportunity). Clarke speaking.	N/A	113427	8/17/2016	\$ 300.00
Rochester City Lines	Transportation to Minneapolis-Saint Paul for Saint Mary's working group to examine transit-oriented development	N/A	31508	8/1/2016	\$ 700.00
The Medical Alley Association	Exhibitor at conference; Mary Welder attended	N/A	N/A	8/5/2016	\$ 750.00
Total Invoices					\$ 119,801.46

8/17/2016

8/17/2016

DMCC Budget

DMCC Only

Account Number	Account Description DMC Corporation	2014 Actual	2015 Budget	2015 Actual	2016 Budget	2016 Actual Thru 9/16	Variance	2015 Budget	2015 Actual	Variance	2017 Budget	% Variance 2017-2016 Budget
95001.59000	Revenue	-5,416,447.39	-3,797,803.00	-3,802,319.67	-3,986,812.00	-1,111,013.93	2,874,798.17	-3,797,803.00	-3,802,319.67	196,483.33		
95001.81020	Building Rent	3,173.44		21,231.71	25,000.00	14,281.14	-10,708.86		21,231.71	21,231.71	25,000.00	0.0%
95001.81060	Rents and Leases	3,173.44		21,231.71	25,000.00	14,291.44	-10,708.86		21,231.71	21,231.71	25,000.00	0.0%
95001.81310	Audit Services	0.00		2,838.75	3,000.00	3,000.00	0.00		2,838.75	2,838.75	3,000.00	0.0%
95001.81320	Legal Consultants	455,164.80	400,000.00	324,143.71	400,000.00	63,123.01	-318,876.99	400,000.00	324,143.71	-75,856.29	350,000.00	-12.5%
95001.81350	Accounting Consultant	0.00	50,000.00	1,144.45	1,500.00	1,000.00	-500.00	50,000.00	1,144.45	-48,855.55	1,500.00	0.0%
95001.81390	Other Expert & Profes	21,927.34	302,873.00	13,913.43	538,312.00	1,427.15	-536,884.85	302,873.00	13,913.43	-288,789.57	50,000.00	-90.7%
95001.81390	Expert & Professions	477,092.14	762,673.00	342,040.34	842,812.00	88,890.16	-864,261.84	762,673.00	342,040.34	-410,632.66	404,500.00	-57.1%
95001.82110	Travel and training	10,507.88	7,200.00	976.30	5,000.00	537.89	-4,462.11	7,200.00	976.30	-6,223.70	5,000.00	0.0%
95001.82130	Business meal expenses		26,730.00	0.00	5,000.00	35.30	-4,964.70	26,730.00	0.00	-26,730.00	1,000.00	-80.0%
95001.82180	Travel/Training/Busin	10,507.88	33,930.00	976.30	10,000.00	573.19	-9,426.81	33,930.00	976.30	-32,953.70	6,000.00	-40.0%
95001.82610	Comprehensive Liabil	4,712.50	150,000.00	17,601.25	20,000.00	12,520.25	-7,378.75	150,000.00	17,601.25	-132,398.75	20,000.00	0.0%
95001.82650	Insurance Misc others		30,800.00		30,800.00			30,800.00				
95001.82680	Insurance and Bonds	4,712.50	180,600.00	17,601.25	20,000.00	12,520.25	-7,378.75	180,600.00	17,601.25	-162,998.76	20,000.00	0.0%
95001.82900	Contractual Services											
95001.82900	Contractual Services											
95001.80899	Professional & Contr	495,485.96	957,203.00	381,848.60	997,812.00	116,034.74	-881,777.28	957,203.00	381,848.60	-585,363.40	455,500.00	-54.4%
95001.83690	Other Supplies		30,600.00					30,600.00		-30,600.00		
95001.83000	Supplies		30,600.00					30,600.00		-30,600.00		
95001.82999	Materials and Supplies		30,600.00					30,600.00		-30,600.00		
95001.84420	Interest			53.83		8.38	8.38		53.83	53.83	100.00	
95001.84800	Other Charges					26.00	26.00				100.00	
95001.84000	Other Charges					33.38	33.38				200.00	
95001.80000	Expenditures	495,485.96	997,803.00	381,903.43	997,812.00	116,088.12	-801,743.88	997,803.00	381,903.43	-615,899.57	455,700.00	-54.3%
95001.87500	Other Financing Uses											
	DMC Corporation - Net	-4,920,961.43	-2,500,000.00	-3,220,416.24	-2,988,000.00	-994,945.71	1,993,054.29	-2,800,000.00	-3,220,416.24	-420,416.24		

Footnote (1) CliftonLarsonAllen
Footnote (2) Pending invoices through 8/31/16 total an additional \$54,694.08
Footnote (3) Pending invoices through 8/31/16 total an additional \$4,050.00. Includes Risk Management Resources (Risk Consultant) not to exceed contract of \$20,000; bank fees, plus an estimated amount for additional consultant services, if needed
Footnote (4) League of Minnesota Cities Insurance Trust

**Destination Medical Center
Economic Development Agency
2017 Workplan**

October 20, 2016



Executive Summary

In 2017, the Destination Medical Center (“DMC”) initiative will focus on driving economic development, developing the DMC District and implementing programs and initiatives to transform America’s City for Health.

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 DMC EDA will continue to execute the implementation phase of the DMC Development Plan aligning with the DMC 20-year strategic goals:

- Create a comprehensive strategic plan
- Leverage the public investment of \$585 million
- Create approximately 30,000 + new jobs
- Generate approximately \$7.5 - \$8.0 billion in new net tax revenue
- Achieve the highest quality patient, companion, visitor, employee, and resident experience

DMC EDA Purpose

The DMC Economic Development Agency (“DMC EDA”) is the entity responsible for DMC Business Plan Foundational Elements of the DMC Development Plan:

Business Development Planning and Infrastructure
Marketing and Communications Operations Finance

The DMC EDA’s objectives will be based upon strategic priorities and desired outcomes, set by the DMCC Board, and will be informed and driven by the DMC Development Plan and annual Workplans, as well as specific strategic implementation plans.

DMC Mission

With Mayo Clinic at its heart, the Destination Medical Center (DMC) initiative is the catalyst to position Rochester, Minnesota as the world's premier destination for health and wellness; attracting people, investment opportunities, and jobs to America's City for Health and supporting the economic growth of Minnesota, its bioscience sector, and beyond.



DMC Goals

Create a comprehensive Strategic plan with a compelling vision that harnesses the energy and creativity of the entire community

Leverage the public investment to attract more than \$5 Billion in private investment to Rochester and the region

Create approximately 35,000 new jobs with workforce development strategies that support growth

Generate approximately \$7.5-8 Billion in new tax revenue over the next 35 years

Achieve the highest quality of patient, companion, visitor, employee, and resident experience, now and in the future



DMC Priority Areas

Heart of the City

Discovery Square

Transportation

DMC Business Plan/
Economic Development

DMC Strategic Priority: *DMC Business Plan/Economic Development*

Strategic Objective A: Identify and foster strategic partner network with 10 high potential real estate developers to meet DMC Vision and Economic Development Goals

Action Step	Quarterly Activity	Status	DMC EDA Role
1. Execute developer relationship marketing plan (Targeted)	Q1-Q4		LEAD
2. Launch a CRM tool and provide personnel support to achieve 100% developer relations process	Q3		LEAD
3. Enhance website to improve engagement and create a call to action and tools for developers	Q1		LEAD
4. Host DMC Day with key stakeholders	Q3		LEAD

Strategic Objective B: Shift Audience base brand recognition from awareness to action

1. (Inv/Dev) Execute marketing plan targeted to investors and developers	Q1-Q4		LEAD
2. (Local RST Level) Provide tool kit to key stakeholders to deliver DMC message to target audiences	Q2		LEAD
3. (Business Development and Life Sciences) Strengthen relationship with Mayo Clinic partners and develop integrated marketing plan	Q1-Q2		PARTICIPATE
4. (Local/State Business) Execute local/state engagement strategy	Q2		LEAD

DMC Strategic Priority: *DMC Business Plan/Economic Development (continued)*

Strategic Objective C: Strengthen Rochester's ecosystem to ready our environment for growth

Action Step	Quarterly Activity	Status	DMC EDA Role
1. Develop/Grow (1) workforce, (2) entrepreneurship, and (3) new-to-Rochester businesses	Q1-Q4		PARTICIPATE
2. Lead community group on "America's City for Health" initiative	Q3-Q4		PARTICIPATE
3. Develop "smart city" concept for Rochester	Q4		PARTICIPATE
4. Execute community engagement strategy	Q1-Q4		LEAD

DMC Strategic Priority: *Heart of the City*

Strategic Objective A: Design public space and create an implementation plan

Action Step	Quarterly Activity	Status	DMC EDA Role
1. Manage design consultant for Heart of the City public space redesign	Q1-Q2		PARTICIPATE
2. Coordinate review and approval process for the preferred design scheme from DMCC/City Council/EDA Board	Q1-Q2		PARTICIPATE
3. Lead stakeholder engagement process throughout the redesign phases	Q1-Q4		PARTICIPATE
4. Identify potential funding sources/models for implementation	Q2-Q3		LEAD

Strategic Objective B: Create management and finance plan for Chateau Theater

1. Develop a renovation plan with the assistance of Miller Dunwiddie	Q1		PARTICIPATE
2. Execute Chateau Theatre community engagement strategy	Q1-Q2		PARTICIPATE
3. Identify potential funding sources/models for implementation	Q2-Q3		PARTICIPATE

DMC Strategic Priority: *Heart of the City (continued)*

Strategic Objective C: Secure agreement for at least 1 strategic private sector project

Action Step	Quarterly Activity	Status	DMC EDA Role
1. Complete the destination retail strategy	Q1-Q2		PARTICIPATE
2. Identify priority sites for Heart of the City redevelopment strategy	Q1-Q3		LEAD
3. Recruit developers for priority development and sites	Q2-Q3		LEAD
4. Implement a marketing / outreach strategy	Q1-Q4		LEAD

DMC Strategic Priority: *Discovery Square*

Strategic Objective A: Develop public space design and strategy plan

Action Step	Quarterly Activity	Status	DMC EDA Role
1. Define the Discovery Square public realm geography	Q1		PARTICIPATE
2. Develop partnership with Mayo Clinic regarding Mayo Clinic/Discovery Square public space	Q2		PARTICIPATE
3. Develop a community engagement and communications (public input) strategy	Q1-Q4		LEAD
4. Identify and coordinate design team to develop public space design plan	Q2		LEAD

Strategic Objective B: Identify and recruit high priority partners (tenants)

1. Execute a Discovery Square partner (tenant) recruitment strategy	Q1-Q4		PARTICIPATE
2. Participate in 3-4 life science conference/events	Q1-Q4		LEAD
3. Execute business development strategy	Q1-Q4		LEAD
4. Execute Discovery Square marketing strategy	Q1-Q4		LEAD

DMC Strategic Priority: *Discovery Square (continued)*

Strategic Objective C: Establish business development eco-system

Action Step	Quarterly Activity	Status	DMC EDA Role
1. Assessment of current business development eco-system (Gap Analysis, Inventory)	Q1-Q2		PARTICIPATE
2. Establish Strategies to mitigate gaps identified in the current entrepreneurial eco-system	Q3-Q4		PARTICIPATE
3. Lead appropriate "work teams" & "advisory groups" with stakeholders, experts, and users	Q1-Q4		LEAD

DMC Strategic Priority: *Transportation*

Strategic Objective A: Complete transit studies on time

Action Step	Quarterly Activity	Status	DMC EDA Role
1. Participate in all transit committee meetings	Q1-Q4		PARTICIPATE
2. Review transit plans/studies to ensure efficiencies and alignment with DMC plan	Q1-Q3		PARTICIPATE
3. Lead appropriate "work teams" & "advisory groups" with stakeholders, experts, and user	Q1-Q3		PARTICIPATE

Strategic Objective B: Execute delivery of CIP plan

1. Participate in (monthly) DMC EDA/City admin meetings	Q1-Q4		PARTICIPATE
2. Collaborate with City to create CIP priority list	Q1-Q4		PARTICIPATE
3. Consult with city to overcome obstacles to allow on time construction of CIP projects	Q1-Q4		PARTICIPATE

DMC EDA Role Definitions:

LEAD:

High priority area, DMC must lead

PARTICIPATE:

High significance area, DMC commits resources, others lead

	A	B	C	D	E	F
	DMC-EDA 2016 Budget Total (EDA & Mayo)	DMC-EDA 2017 Budget	2017 Mayo Clinic Funding	2017 Total	YOY Difference	2017 Budget Detail
DMC EDA Staff Costs						
1 Payroll	\$749,781	\$526,000	\$674,220	\$1,305,220	95%	5 EDA FTE salaries & benefits; 1 Mayo Clinic Salaries & Benefits
2 Benefits	\$299,913	\$105,000			95%	HR management company fees
3 Mayo Contributed Staff	\$330,000				100%	EDA Staff Transportation Subsidy
4 Payroll Expenses	\$6,000	\$6,920		\$6,920	100%	Reimbursements to be assigned by workstation task
5 Transportation/Transit Subsidy	\$7,200	\$7,200		\$7,200	100%	
6 Reimbursements	\$35,000	\$0		\$0	0%	
Subtotal	\$1,428,000	\$645,120	\$674,220	\$1,319,340	93%	
DMC EDA Operational Costs						
6 Rent and Utilities	\$72,000	\$4500	\$73,200	77,700	108%	EDA office and outlity space rent
7 Security System and Computer Connections	\$35,000	\$0			0%	Line item does not require 2017 funding
8 Equipment Rentals/Furniture	\$8,000	\$0		0	0%	Line item does not require 2017 funding
9 Office Supplies/Consumables	\$14,000	\$18,000		18,000	129%	Routine office supplies
10 Room Rental	\$9,000	\$0		\$0	0%	Line item does not require 2017 funding
11 Postage, Shipping, Messenger, etc.	\$2,200	\$3,000		3,000	136%	Routine mailing and postage
12 Website Drafting, Hosting	\$65,000	\$34,000		34,000	52%	Web hosting, updates, management, and strategic counsel
13 IT Hardware and Support	\$15,000	\$23,000		\$23,000	52%	Managed IT, equipment leases, and various service subscriptions
14 Miscellaneous Costs	\$50,000	\$5,500		5,500	0%	Numerous miscellaneous costs, including office janitorial service
Subtotal	\$270,200	\$88,000	\$73,200	\$161,200	60%	
Economic Development Outreach & Support						
14 Print & Collateral	\$230,000	\$50,000		\$50,000	63%	Supports marketing plan, relationship development, community engagement
15 Outreach and Local Events	\$15,000	\$95,000		\$95,000	40%	Community event hosting and participation
16 Subscriptions and Memberships	\$225,000	\$6,000		\$6,000	73%	Trade and professional subscriptions and memberships
17 Conferences, Meetings, Travel & Participation	\$25,000	\$165,000		\$165,000	2240%	Conference registration, materials, and presentation
18 Econ Dev Costs	\$495,000	\$495,000	\$125,000	\$560,000	177%	Discovery Source Assessment
Subtotal	\$1,175,000	\$751,000	\$125,000	\$876,000	177%	
Professional Services						
19 Legal Services	\$175,000	\$35,000		\$35,000	20%	Development agreement review
20 Website Management and CRM	\$65,000	\$10,000		\$10,000	15%	CRM tool, periodic website updates
21 Marketing Communications & Advertising	\$550,000	\$500,000	\$62,000	\$562,000	102%	2017 marketing plan
22 Public Relations/Community Relations	\$200,000	\$96,000		\$96,000	48%	statewide and national public relations
23 Contracted Support Staff	\$199,400	\$225,000		\$199,400	89%	Contracted specialty services
24 Financial Reporting Services	\$90,000	\$50,340		\$50,340	56%	Audit and accounting services
Subtotal	\$1,305,000	\$890,740	\$62,000	\$952,740	73%	
Miscellaneous Costs						
25 Insurance & Taxes	\$80,000	\$69,310		\$69,310	87%	Required insurance policies
26 Miscellaneous Costs / Contingency	\$405,000	\$175,000		\$175,000	54%	7% of budget
Subtotal	\$485,000	\$244,310		\$244,310	60%	
TOTAL BUDGET	\$3,993,200	\$2,619,170	\$994,420	\$3,513,590	91.0%	

**EDA REQUEST FOR EXTENSION OF WORKING CAPITAL LOAN
FOR 2017**

To: **Destination Medical Center Corporation**
City of Rochester, Minnesota

1. The undersigned authorized representative (the "Representative") of the Destination Medical Center Economic Development Agency ("EDA") hereby authorizes and requests an extension of the Term of the Working Capital Loan Agreement (DMCCEDA), dated April 30, 2015, by and between the Destination Medical Center Corporation ("DMCC") and the EDA (the "Agreement"), and a renewal of the EDA Note, in the amount and on the date specified below, in order to pay certain EDA Eligible Expenses pursuant to the terms and conditions of the Agreement. Capitalized terms not otherwise defined herein shall have the meanings given them in the Agreement.
2. The Representative certifies that (i) attached as Exhibit A is a true and correct annual reconciliation of the Advances made through July 31, 2016 and EDA Eligible Expenses paid from such Advances, as required by Section 2.6 of the Agreement; (ii) each item for which the EDA sought payment in Exhibit A was an EDA Eligible Expense; and (iii) the Advances received by the EDA have not exceeded the limitations set out in Section 2.4(b) of the Agreement.
3. The Representative hereby requests an extension of the Agreement Term and a renewal of the EDA Note through the period December 31, 2017, in the Maximum Aggregate EDA Advances amount of \$50,000, as such amount may be adjusted by the City as provided in Section 2.8(c) of the Agreement, for payment of EDA Eligible Expenses pursuant to the terms and conditions of the Agreement.
4. The Representative further certifies that no portion of the amount requested in paragraph 3 above constitutes an EDA Excess Request under Section 2.3 of the Agreement.
5. The Representative further certifies that this statement and all exhibits and attachments hereto, and documents furnished in connection herewith, shall be conclusive evidence of the facts and statements set forth herein and shall constitute full warrant, protection, and authority to the DMCC for its actions taken pursuant hereto.

Dated: 10.21, 2016


Authorized EDA Representative

Destination Medical Center 2017-2021 Capital Improvements Program

Schedules for Five Year Period

Map #	Project Description	Proj #	Total Budget	2017-2018		2017	2018	2019	2020	2021
				CIP	Legl Amnts					
1	Contributions to DMC Corporation for DMCC expenses.	8602	2,457,315	1,985,615	sd	455,700	sd			
2	Contributions to DMC Corporation for EDA expenses.	8602	8,407,170	5,788,000	sd	2,619,170	sd			
3	City of Rochester Administrative costs for DMC project.	8601	700,000	650,000	sd	150,000	sd			
4	Chateau Theatre. City costs with private funds coming from Mayo for 2018 acquisition. Planning and design costs of \$186,800 in 2016/2017. Construction estimate for 2017/2018 available in Dec 2016.	8613	6,188,800	5,500,000	sd	186,800	sd			
5	Heart of the City. RSP Study in 2016/2017. Improvements in 2017/2018. The 2016 portion of expenses are to be funded from the EDA's contingency balance.	8625	598,940	500,000	p	598,940	sd			
6	Transit/Transportation/infrastructure study and project management. Funds to be transferred from the Parking Utility.	8614	2,800,000	180,000	sd	250,000	sd	200,000	sd	200,000
7	Parking and travel demand management study. Funds to be transferred from the Parking Utility.	8618	1,811,854	200,000	to	1,811,854	to			
8	City Loop plan	8620	958,938	200,000	sd	759,938	sd			
9	Transit Circulator Study	8621	1,991,532	538,635	c	1,452,897	c			
10	Downtown street use and operations study	8623	2,867,706	775,465	c	2,092,243	c			
11	Transit/Transportation/infrastructure construction projects.		10,286,760					1,860,760	c	2,400,000
12	Broadway @ Center Ramp. Funds to be transferred from the Parking Utility. (Note: \$14M of this project is listed as project 2662 on the Parking pages of the CIP)	8617	10,500,000	10,500,000	to					
13	Broadway @ Center Development.	8616	3,935,000	3,935,000	li					
14	Replace / update sanitary sewer along west side of 3rd Ave SE and along 1st Ave. from 4th St S to 1st St N. Includes new siphon under Zumbro River.		3,800,000					1,000,000	em	
15	SS1 12th or 13th Av Sanitary and Storm Sewer Capacity Improvements from 2nd St So to 2nd St No. (Project is with tunnel option; if no tunnel option is selected the project cost is \$2.0 million).	8611	3,705,000	200,000	ow	2,750,000	sd	950,000	sd	

Destination Medical Center

2017-2021

Capital Improvements Program

Schedule for Five Year Period

Special assessment Bonds = s
Food & Beverage Tax = fb
Operating Trfs - fr General Fund = of
State Funds = s
Tax Levy = t
Abatement District = ad
Local Govt Aid = ga
Operating Trfs - fr Sewer Utility = ow
Sewer Availability Chg = sa
Traffic Improvement Dist Chg = td
Olmsted County = c
General Obligation Bonds = go
Private Funds = p
Sales Tax DMC = sd
Tax Increments = i
Electric Utility = eu
Lodging Tax = lt
Project Reserves = r
State DMC Funds = sm
Operating Trfs - fr Other Funds = to
Federal Funds = f
MN State Aid - Slopola = ms
GO Revenue Bonds = rb
Sales Tax 2013 = sl
Water Availability Chg = wa
Flood Control Reserves = fr
Operating Trfs - fr Storm Water = os
Retained Earnings = re
Storm Water Mgmt Chg = sw
Water Utility = wu

Map #	Project Description	Proj #	Total Budget	2007-2016 CIP Beat Amt	2017	2018	2019	2020	2021
16	DMC funded portion of SS2 Cooke Park Sanitary Sewer Capacity. Construct W. Zumbro san sewer relief line from south of Civic Ctr Dr to Cooke Park / 7th St NW. Also see project #7797.	9912	950,000	200,000	ow	200,000	ow	200,000	ow
17	Sewer funded portion of SS2 Cooke Park Sanitary Sewer Capacity. Construct W. Zumbro san sewer relief line from south of Civic Ctr Dr to Cooke Park / 7th St NW. Also see project #8612.	7797	950,000	1,500,000	sd	(1,500,000)	sd		
18	San. Sewer Trunk upgrade to sewer line from Central Park north to 6th St NW and west of 2nd Ave NW.	8615	3,250,000			350,000	ow		
19	Public utility upgrades in the downtown area (Broadway Av, etc.) that support DMC initiatives.		1,500,000			250,000	sm		
20	3rd St SW reconstruction and design.		500,000	150,000	il	50,000	sd		
21	Street Improvement Projects in DMC area, that support DMC initiatives.		1,000,000						1,500,000
									1,000,000

Sources of Funds	Total Cost	68,851,017	34,032,815	14,427,842	6,180,780	6,500,000	3,200,000	5,600,000
Olmsted County	c	18,500,000	1,584,000	3,545,240	2,380,780	3,000,000	3,000,000	3,000,000
Operating Transfer - fr Storm Water Utility	os	25,000	25,000					
Operating Transfer - fr Sewer Utility	ow	975,000	1,025,000	(400,000)	350,000			
Private Funds	p	500,000	500,000					
Sales Tax DMC	sd	27,304,183	16,063,615	9,320,549	1,200,000	500,000	200,000	
State DMC Funds	sm	6,750,000	4,085,000		1,250,000	3,000,000		
Tax Increment	ti	4,085,000	10,725,000					
Operating Transfer - Other Funds	to	12,886,854		1,861,854				
Water Utility	wu	25,000	25,000					
Total Source of Funds		68,851,017	34,032,815	14,427,842	6,180,780	6,500,000	3,200,000	5,600,000
Total of NEW FUNDINGS requests				16,727,642	6,180,780	6,500,000	3,200,000	5,600,000
Total adjustments to prior years' funding authorizations			(2,300,000)					
Total Cost		14,427,842	14,427,842	14,427,842	6,180,780	6,500,000	3,200,000	5,600,000

Destination Medical Center

2016-2020

Capital Improvements Program

Special assessment Bonds = a
 Food & Beverage Tax = fb
 Operating Tris-fr General Fund = ot
 Retained Earnings = re
 Tax Levy = l
 Abatement District = ad
 Local Gov't Aid = ga
 Operating Tris-fr Sewer Utility = ow
 State Funds = s
 Traffic Improvement Dist Chg = td
 Olmsted County = c
 General Obligation Bonds = go
 Operating Tris-fr Gen Frnd Sales Tax = ox
 Sn/Sewer Availability Chg = sa
 Tax Increments = il

Map #	Project Description	Proj #	Total Budget
1	Contributions to DMC Corporation for DMCC expenses.	8602	1,995,615
2	Contributions to DMC Corporation for EDA expenses.	8602	5,788,000
3	City of Rochester Administrative costs for DMC project.	8601	560,000
4	Chateau Theatre. City costs with private funds coming from Mayo.	8613	6,000,000
5	Transit/Transportation/Infrastructure Management	8614	500,000
6	3rd St SW reconstruction and design.	8615	150,000
7	Broadway @ Center Development	8616	3,935,000
8	SS1 12th Av Sewer Capacity	8611	200,000
9	SS2 Cooke Park Sewer Capacity	8612	200,000
10	Broadway @ Center Ramp	8617	10,500,000
11	Shared parking study and program development	8618	200,000
12	City Loop plan	8620	200,000
13	Transit Circulator Study	8621	1,314,000

Sources of Funds	Total Cost
Olmsted County	31,532,615
Operating Transfer - fr Storm Water Utility	1,564,000
Operating Transfer - fr Sewer Utility	25,000
Private Funds	425,000
Sales Tax DMC	500,000
Tax Increment	14,183,615
Operating Transfer - Other Funds	4,085,000
Water Utility	10,725,000
Total Sources of Funds	31,532,615

Total of NEW FUNDING requests
 Total adjustments to prior years funding authorizations
 Total Cost

Schedule for Five Year Period

Electric Utility = eu
 Lodging Tax = lt
 Private Funds = p
 Sales Tax DMC = sd
 Operating Tris - fr Other Funds = to
 Federal Funds = f
 MN State Aid - Streets = ms
 Project Reserves = r
 Sales Tax 2013 = st
 Water Availability Chg = wa
 Flood Control Reserves = fr
 Operating Tris - fr Storm Water = os
 GO Revenue Bonds = fb
 Storm Water Mgmt Chg = sw
 Water Utility = wu

2002-2015	2016	2017	2018	2019	2020
CIP Bdort Amts					
697,803 sd	997,812 sd				
2,800,000 sd	2,988,000 sd				
275,000 sd	275,000 sd				
5,500,000 sd	500,000 p				
	150,000 sd				
	250,000 c				
	25,000 to				
	25,000 ow				
	25,000 os				
	25,000 wu				
	150,000 li				
	3,935,000 li				
	200,000 ow				
	200,000 ow				
	10,500,000 to				
	200,000 to				
	200,000 sd				
	1,314,000 c				

2002-2015	2016	2017	2018	2019	2020
9,572,803	21,959,812				
	1,564,000 c				
	25,000 os				
	425,000 ow				
	500,000 p				
	4,610,812 sd				
	4,085,000 ti				
	10,725,000 to				
	25,000 wu				
9,572,803	21,959,812				
	21,959,812				
	21,959,812				

DMC 2017 Operating and Capital Budget Information (2017)

Note: Only 2017 costs that are shown in the budget are approved with the adoption of the 2017 CIP.

1. Contributions to DMC Corporation for DMC expenses. The proposed budget is \$455,700. That is a reduction of \$542,112 from the 2016 budget.
2. Contributions to the DMC Corporation for EDA expenses. The proposed budget is \$2,619,170. That is a reduction of \$368,830 from the 2016 budget.
3. City of Rochester administrative costs for the DMC project. The proposed budget is \$150,000. That is a reduction of \$125,000 from the 2016 budget.
4. Chateau Theatre. 2016/2017 Design costs of \$186,800 were approved in 2016. Construction alternatives and cost estimates are being worked on and should be available in December 2016. Construction costs for 2017/2018 are not shown.
5. Heart of the City. Planning and design costs approved in 2016 were \$598,940. Construction alternatives and cost estimates are being worked on and should be available July 2017. Construction costs for 2017/2018 are not shown.
6. Transit/Transportation/Infrastructure – Project Management. 2015/2016 costs for services of SRF to serve as Project Manager for transit/transportation/infrastructure DMC Design/Planning and Construction were approved in 2015 by DMCC and City Council. Costs for 2017 show a potential increase of \$100,000.

Note: The following projects 7, 8, 9 and 10 are components of an integrated transit/transportation plan for parking, transit, street use, and the city loop project to be completed for the entire DMC area that will follow and conform to and prepare for future federal and state funding requests.

7. Parking/Travel Demand Management Study. Previously \$200,000 was approved in 2016. The proposed 2017 budget for completing the work is \$1,611,854. This study looks to address the parking needs and locations and travel demand management needs for the entire DMC area. The objective is to create an environment that encourages access by all modes including private auto, transit, active transportation and shared mobility strategies as well as transportation demand management programs. Advanced planning and community educational resources will be developed to enhance the awareness of available transportation choices and improve the overall downtown experience for all citizens, employees and visitors.
8. City Loop Plan. Design element in the DMC Plan. Previously \$200,000 was approved for 2016 work. The proposed budget for 2017 completing the work is \$759,938. The City Loop, an urban trail offering connections to each DMC district that connects visitors, residents and workers to culture, entertainment and nature. The concept is under review and study with a report expected in December 2017.
9. Transit Circulator Study. Previously \$538,535 was approved for 2016 work. The proposed 2017 budget for continuing work is \$1,452,997. The DMC Plan identified a transit circulator concept that would knit the various parts of the downtown together. This study will identify the preferred transit

mode and route for the transit circulator. The study will also outline the appropriate actions to integrate the circulator with all other local and regional modes of travel including pedestrians, bicycles, public and private transit services and cars. Study is underway and final report should be available December 2017.

10. Downtown Street Use and Operations Study. Previously \$755,456 was approved in 2016. The proposed 2017 budget is \$2,092,243. A study to fully define street concepts that will be implemented as part of the downtown development effort and to test how the concepts will perform as development progress. The five main components of the study include: data collection, travel mode development and testing, operational analysis of modes and configurations, concept designs and visualizations. Study is underway and final access plan should be available September 2017.
11. Transit/Transportation/Infrastructure Construction Projects. Construction projects based on the outcomes of the various studies underway that will advance the DMC initiative. Specific projects and costs have not been determined at this time. A placeholder budget of \$1,890,760 for 2018 is shown.
12. Broadway @ Center Ramp. Municipal parking ramp to be constructed in coordination with the Broadway @ Center Development. The ramp is currently being designed. The \$10,500,000 was approved previously in 2014.
13. Broadway @ Center Development. Mixed use development consisting of commercial, residential and hotel units to be constructed in the southeast corner of Broadway and East Center Street. Project previously approved by the DMCC. The amount of assistance approved via TIF was \$3,935,000.
14. Replace / upsize sanitary sewer along west side of 3rd Ave SE and along 1st Ave; from 4th St S to 1st St N. Includes new siphon under Zumbro River. When the USACE installed the flood control channel along the Government Center they created a siphon crossing of the Zumbro River for the existing sewer that crossed at that location. The existing siphon does not have additional capacity for future development or higher density redevelopment south and west of the Government Center. The proposed Bloom development on the west side of the Zumbro River and along 3rd Street SE will eliminate the existing siphon and sanitary sewer that serves areas south and west of this location. New sanitary sewer and siphon needs to be installed from 3rd Ave SE and 4th Street SE to 1st Street NE and 1st Ave NE. This will provide additional capacity for developments south and west of the Government Center and provide relief to the sanitary sewer systems in Broadway that will be needed for redevelopment around the Mayo Campus as part of DMC.

The proposed 2017 budget for the construction work is \$2,500,000 and \$1,000,000 in 2018.
15. SS1 12th or 13th Av Sanitary and Storm Sewer Capacity Improvements from 2nd St So to 2nd St No. (Project cost shown is with tunnel option; if no tunnel option is selected the project cost is \$2.0 million). J8611. Previously \$200,000 was approved in 2016 for design work. The sanitary sewer in 14th Ave SE south of 2nd St SW currently experiences surcharging when St. Mary's lift stations pumps are active. The existing sanitary sewer along 12th Ave will be above capacity when St. Mary's and 2nd Street reach full development. Proposed tunnel crossings along 2nd St SW will create conflicts with the existing sanitary sewer lines and siphons may not function well in these locations. A new

sanitary sewer from 2nd St NW down 13th Ave to 2nd St SW will provide additional capacity for the St. Mary's Campus and 2nd St SW redevelopment. Sanitary flows from 14th Ave SW will be diverted to the new 13th Ave line along with flows from the St. Mary's Campus that currently flow to 12th Ave. The diverting of St. Mary's flow will free up additional capacity for redevelopment areas east of 12th Ave.

The storm sewer along 2nd St SW in the St. Mary's Campus area and for residential areas north of the Campus are currently undersized per the City's current design standards. Some streets and intersections have experienced localized flooding during significant rain events. A new storm sewer installed along 13th Ave will provide additional storm sewer capacity and help reduce localized flooding and provide additional safety during significant rain events in the 2nd St SW area.

The proposed 2017 budget for the construction work is \$2,750,000 and \$950,000 in 2018.

The DMC boundary will need to be amended to accommodate right of way for the portion of the project that is not currently within the DMC boundary.

- 16 & 17. SS2 Cooke Park Sanitary Sewer Capacity. Construct W. Zumbro sanitary sewer relief line from south of Civic Ctr Dr to Cooke Park / 7th St NW. J7797. Previously \$200,000 was approved in 2016 for design work. The existing sanitary sewer in Cooke Park will be at or above capacity if the St. Mary's Campus and the 2nd St SW corridor redevelops and adds additional sanitary sewer flow. This sanitary sewer is required for the improvements proposed on 13th Ave (J8611) to have the additional capacity needed. The sanitary sewer improvements at Cooke Park will allow both the St. Mary's Campus and 2nd St SW development to continue.

Total project cost is \$1,900,000 with DMC funding accounting for \$950,000 and the City Sewer fund accounting \$950,000 for the work to be done in 2017.

The DMC boundary will need to be amended to accommodate the right of way for a portion of the project that is not currently within the DMC boundary.

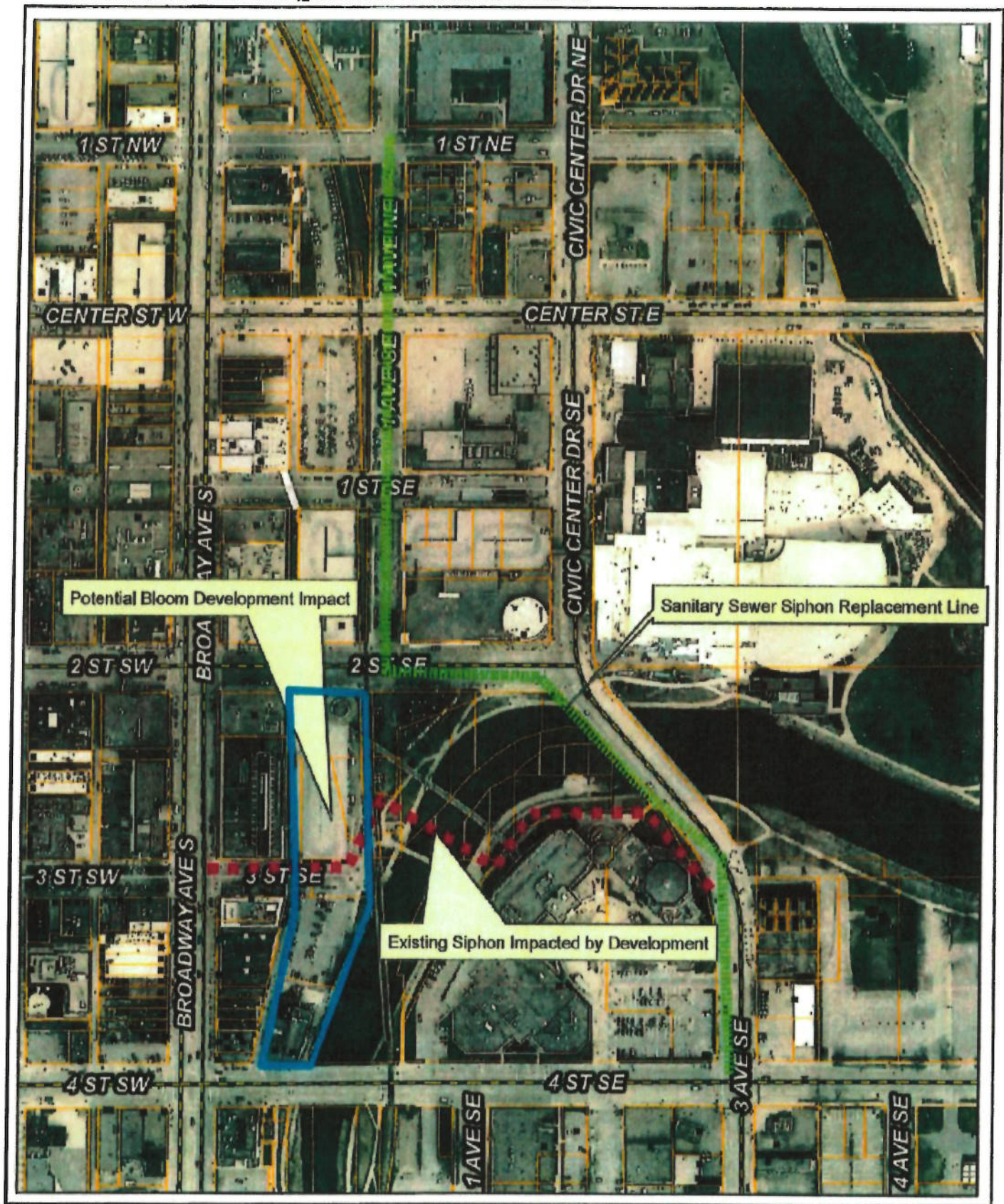
18. San. Sewer Trunk upgrade to sewer line from Central Park north to 6th St NW and west of 2nd Ave NW. Existing sanitary sewers that serve the Mayo Campus and other downtown business are near capacity. As redevelopment occurs and additional sanitary flow is added, the sanitary sewer system will be above capacity and a relief line will be needed. A relief line along 2nd Ave will provide additional capacity for the downtown area. The project described in No 14 along 3rd Ave SE could also provide relief to the Broadway sanitary sewer and allow flows from 2nd Ave NW to be directed to Broadway versus 6th Ave NW.

\$250,000 is budgeted for design work in 2018 with \$3 million budgeted for construction in 2019.

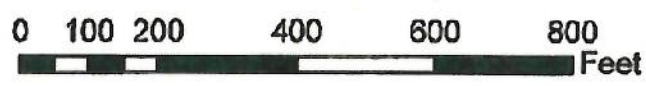
The DMC boundary will need to be amended to accommodate the right of way portion of the project that is not currently within the DMC boundary.

19. Public Utility Upgrades in the Downtown Area that Support DMC Initiatives. Specific projects will be needed in the future, this is simply a placeholder for future projects.
20. 3rd Street Reconstruction and Design. Design work on 3rd Street SW between South Broadway and 3rd Avenue SW planned for 2018 with a proposed budget of \$50,000. Reconstruction of the roadway planned for 2019 with a placeholder budget of \$300,000.

21. Street Improvement Projects in the DMC Area that Support DMC Initiatives. Specific projects will be identified in the future, this is just an identifier/placeholder for future projects.



City of Rochester, MN

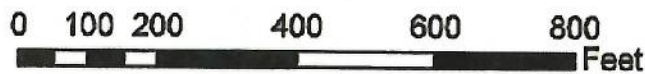


Data contained has not been field verified and should be used as reference only. It is the users responsibility for field verifying elevations, locations, dimensions, etc. to conduct detailed design.

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City of Rochester, MN

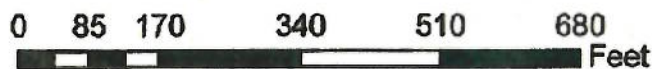


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City of Rochester, MN



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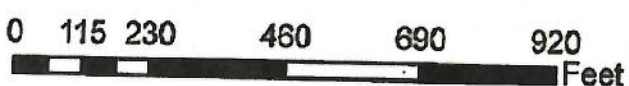


Central Park North to 6th Street NW
Sanitary Sewer Replacement

DMC Boundary



City of Rochester, MN



Data contained has not been field verified and should be used as reference only. It is the user's responsibility for field verifying elevations, locations, dimensions, etc. to conduct detailed design.

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**DMCC REQUEST FOR EXTENSION OF WORKING CAPITAL LOAN
FOR 2017**

To: City of Rochester, Minnesota (the "City")

1. The undersigned authorized representative (the "Representative") of the Destination Medical Center Corporation ("DMCC") hereby authorizes and requests an extension of the Term of the Working Capital Loan Agreement (DMCC-City), dated April 30, 2015, by and between the City and the DMCC (the "Agreement") and renewals of the DMCC Note and the EDA Note, in the amount and on the date specified below, in order to pay certain DMCC Eligible Expenses and to provide the EDA Tranche to pay certain EDA Eligible Expenses, pursuant to the terms and conditions of the Agreement. Capitalized terms not otherwise defined herein shall have the meanings given them in the Agreement.
2. The Representative certifies that (i) attached as Exhibit A is a true and correct annual reconciliation of the DMCC Tranche Advances made through July 31, 2016 and the DMCC Eligible Expenses paid from such Advances, as required by Section 2.6 of the Agreement; (ii) each item for which the DMCC sought payment in Exhibit A was a DMCC Eligible Expense; and (iii) the Advances received by the DMCC have not exceeded the limitations set out in Section 2.4(a) of the Agreement.
3. The Representative further certifies that attached as Exhibit B is a true and correct copy of the EDA Request for Extension of the Working Capital Loan for 2017.
4. The DMCC hereby requests an extension of the Agreement Term and renewals of the DMCC Note and the EDA Note, in the amount of \$500 as the DMCC Tranche Advance and in the amount of \$50,000 as the EDA Tranche Advance, as such amounts may be adjusted by the City pursuant to Section 2.8(c) of the Agreement, for payment of DMCC Eligible Expenses and, as to the EDA Tranche, for payment of EDA Eligible Expenses.
5. The Representative further certifies that no portion of the amount requested in paragraph 4 above constitutes a DMCC Excess Request under Section 2.3 of the Agreement.
6. The Representative further certifies that this statement and all exhibits and attachments hereto, and documents furnished in connection herewith, shall be conclusive evidence of the facts and statements set forth herein and shall constitute full warrant, protection, and authority to the City for its actions taken pursuant hereto.

Dated: _____, 2016

Authorized DMCC Representative

EXHIBIT A: RECONCILIATION OF DMCC TRANCHE ADVANCES

Through July 31, 2016

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	2015						2016						
DMCC Bank Account	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
Beg Bal	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.01	1,000.01	1,000.00	1,000.00
DMCC Bank Charges	835.30	124.42		111.81	104.56	216.45	126.35	101.81	166.75	115.82	92.87	96.57	160.67
Adjustments - bank fees returned								64.60					
Adjustments - change in amount													
Interest Earnings				0.05	0.01	0.24			0.03		0.04	0.01	
Funding Requested	978,303.02	527,281.67	179,103.26	319,562.43	330,108.05	465,380.89	129,241.17	94,862.93	24,918.62	185,416.55	94,231.53	181,440.09	145,802.26
Actual Funded	979,244.06	527,396.09	179,103.26	319,778.74	330,219.64	465,485.51	131,074.47	94,964.74	25,085.35	185,532.37	94,324.39	181,536.65	145,962.93
Difference	941.04	114.42	-	216.31	111.59	104.62	1,833.30	101.81	166.73	115.82	92.86	96.56	160.67
Ending Book Balance	1,105.74	990.00	1,000.00	1,104.55	1,007.04	888.41	2,706.95	1,064.60	1,000.01	1,000.01	1,000.04	1,000.00	1,000.00
Reconciling Items													
Interest	-	-	-	(0.05)	(0.01)	(0.24)	-	-	-	-	(0.04)	-	-
Bank Fees	835.30	124.42		111.81	104.56	216.45	126.35	-					160.67
Adjustments	(941.04)	(114.42)	-	(216.31)	(111.59)	(104.62)	(1,833.30)	(64.60)	-	-	-	-	-
Net	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.01	1,000.01	1,000.00	1,000.00	1,160.67

DESTINATION MEDICAL CENTER CORPORATION

RESOLUTION NO. _ -2016

**Approving the 2017 DMCC Funding Request and the Extension of Working Capital Loan
and Authorizing Transmittal to the City of Rochester**

BACKGROUND RECITALS

WHEREAS, the Destination Medical Center Corporation (“DMCC”) must adopt an annual Funding Request and Five Year Capital Plan. The DMCC Funding Request includes the DMCC annual budget, the Destination Medical Center Economic Development Agency (“EDA”) annual budget, and support costs incurred by the City of Rochester; and

WHEREAS, on February 26, 2015, the DMCC adopted Resolution No. 26-2015, approving the form of and authorizing the Chair and Treasurer to execute, amend, and take other actions to implement the working capital loan documents to provide for advance funding of EDA operations (collectively, the “Loan Documents”); and

WHEREAS, the EDA has submitted an EDA Request for Extension of the Working Capital Loan for 2017, currently on file with the DMCC, that the Loan Documents be extended for 2017 in the amount of \$50,000, as such amount may be adjusted by the City pursuant to Section 2.8(c) of the Agreement, and has provided the required annual reconciliation of advances and eligible expenses paid from such advances; and

WHEREAS, the DMCC has completed the required annual reconciliation of the advances to the DMCC and the DMCC eligible expenses and has prepared a DMCC Request for Extension of the Working Capital Loan for 2017 in the amount of \$500, as such amount may be adjusted by the City pursuant to Section 2.8(c) of the Agreement.

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED, by the Destination Medical Center Board of Directors that the 2017 DMCC Funding Request, the Five Year Capital Plan, the EDA Request for Extension of the Working Capital Loan for 2017, and the DMCC Request for Extension of the Working Capital Loan for 2017, all on file with the DMCC, are approved.

BE IT FURTHER RESOLVED, that the Chair and Treasurer are hereby authorized and directed to transmit this resolution to the City of Rochester and to take such actions as are necessary or convenient to effectuate the 2017 DMCC Funding Request, the Five Year Capital Plan, and the extension of the Loan Documents, including, but not limited to, the authority to execute, deliver, and perform, in the name of and on behalf of the DMCC, the DMCC Request for Extension of the Working Capital Loan for 2017 and the Loan Documents to which the DMCC is a party, with such modifications, additions, deletions, or other changes as the Chair and Treasurer may deem necessary or appropriate to accomplish the requested extension, all which may be performed without further action of this Board.



CONNECTING & INNOVATING
SINCE 1913

LIABILITY COVERAGE – WAIVER FORM

LMCIT members purchasing coverage must complete and return this form to LMCIT before the effective date of the coverage. Please return the completed form to your underwriter or email to pstech@lmc.org

This decision must be made by the member's governing body every year. You may also wish to discuss these issues with your attorney.

League of Minnesota Cities Insurance Trust (LMCIT) members that obtain liability coverage from LMCIT must decide whether to waive the statutory tort liability limits to the extent of the coverage purchased. The decision has the following effects:

- If the member does not waive the statutory tort limits, an individual claimant would be able to recover no more than \$500,000 on any claim to which the statutory tort limits apply. The total all claimants would be able to recover for a single occurrence to which the statutory tort limits apply would be limited to \$1,500,000. These statutory tort limits apply regardless of whether the city purchases the optional excess liability coverage.
- If the member waives the statutory tort limits and does not purchase excess liability coverage, a single claimant could potentially recover up to \$2,000,000 for a single occurrence. (Under this option, the tort cap liability limits are waived to the extent of the member's liability coverage limits, and the LMCIT per occurrence limit is \$2 million.) The total all claimants would be able to recover for a single occurrence to which the statutory tort limits apply would also be limited to \$2,000,000, regardless of the number of claimants.
- If the member waives the statutory tort limits and purchases excess liability coverage, a single claimant could potentially recover an amount up to the limit of the coverage purchased. The total all claimants would be able to recover for a single occurrence to which the statutory tort limits apply would also be limited to the amount of coverage purchased, regardless of the number of claimants.

Claims to which the statutory municipal tort limits do not apply are not affected by this decision.

LMCIT Member Name _____

Check one:

The member **DOES NOT WAIVE** the monetary limits on municipal tort liability established by Minnesota Statutes, Section 466.04.

The member **WAIVES** the monetary limits on municipal tort liability established by Minnesota Statutes, Section 466.04 to the extent of the limits of the liability coverage obtained from LMCIT.

Date of city council/governing body meeting _____

Signature _____

Position _____