



DESTINATION MEDICAL CENTER CORPORATION (DMCC)

BOARD MEETING

9:30 A.M. THURSDAY, SEPTEMBER 24, 2015

MAYO CIVIC CENTER - ROCHESTER



DESTINATION MEDICAL CENTER CORPORATION (DMCC)

BOARD MEETING

Thursday, September 24, 2015

9:30 A.M.

AGENDA

- I. Call to Order
- II. Roll Call
- III. Approval of Agenda
- IV. Approval of Minutes: August 27, 2015
- V. Public Comment Period
- VI. Chair's Report
- VII. DMCC 2015 Budget: Year to Date Update
- VIII. DMCC 2016 Funding Request
 - A. DMCC 2016 Budget
 - B. EDA 2016 Budget
 - C. EDA 2016 Workplan
 - D. Five-year Capital Improvement Plan
 - E. Resolution A: Approving 2016 Funding Request and forwarding to City of Rochester
- IX. Economic Development Agency
 - A. Update
- X. City of Rochester
 - A. Update
- XI. Meeting Schedule
 - A. Next Regular Meeting: Thursday, October 29, 2015 at 9:30 A.M.
- XII. Adjournment

**DESTINATION MEDICAL CENTER CORPORATION
BOARD OF DIRECTORS**

**MINUTES
August 27, 2015**

- I. Call to Order. Chair Tina Smith called the meeting to order at 9:30 a.m. at the Mayo Civic Center, located at 30 Civic Center Drive SE, Rochester, MN 55904.
- II. Roll Call. In attendance were Chair Tina Smith, Susan Park Rani, Mayor Ardele F. Brede, Bill George, Council Member Ed Hruska, and Jim Campbell.
- III. Approval of Agenda. Mayor Brede moved approval of the agenda. Mr. Campbell seconded.

Ayes (6), Nays (0), Motion carried.

- IV. Approval of Minutes. Chair Smith requested approval of the Minutes from the meeting held on July 30, 2015. Council Member Hruska moved approval. Mr. George seconded.

Ayes (6), Nays (0), Motion carried.

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

Al Lund asked about connecting the DMC plan with community networking conversations around social impact, and would like to see a linkage between the project planning efforts and deliverables.

- VI. Chair's Report. Chair Smith announced that following the adjournment of the DMCC meeting, there would be an airport tour, noting that this tour was open to the public and media. Chair Smith thanked the legislators, Council Members, City and EDA staff, and the community in attendance.

- VII. DMCC 2015 Budget: Year-to-Date Update. Chair Smith stated that Dale Martinson, DMCC Assistant Treasurer, was in attendance for any questions related to the 2015 Budget. No questions were presented by the Board.

- VIII. DMCC 2016 Funding Request: Discussion.

- A. DMC EDA 2016 Budget, Workplan, Five-year CIP: Chair Smith thanked Ms. Park Rani and Mr. Campbell for their assistance in reviewing the EDA workplan and budget.

Jeff Bolton, Chair of the EDA, led the EDA 2016 budget and workplan discussion, noting that the 2016 budget and workplan were reviewed and endorsed by the EDA board. Mr. Bolton reported that the EDA board feels sufficient funding is crucial to realize the DMC vision, and stated that he considers the EDA budget as an investment rather than pure expense. He expressed the EDA board's concern that there could be under-investment in the EDA. Mr. Bolton highlighted Mayo's commitment and contribution to the EDA, stating that Mayo Clinic has already

invested over \$9 million to get DMC off the ground and will contribute \$3.6 billion in direct capital investment in DMC. Mayo has also committed \$915,000 in support of the annual operating budget for 2016 and \$1.5 million in a feasibility study for Discovery Square development. In total, Mayo Clinic's impact to DMC will be greater than \$3 billion in capital expenses with significant employment growth. Since 2014, Mayo Clinic has added 1,244 employees, with total Mayo Clinic employment at the Rochester campus equaling 28,247 and 1,800 current openings to be filled.

In addressing the marketing, communications, and community relations budget, Mr. Bolton stated that private investments will not happen on their own. Opportunities need to be actively marketed, and the communications budget, with leverage from the Mayo Clinic budget, is focused on attracting patients and driving patient demand. Community engagement and relations are also critical during this implementation phase. In addition, Mr. Bolton announced that Mayo Clinic will be committing two staff to support activities and assist in EDA and Mayo Clinic coordination.

Mr. Campbell stated that the objective with the budget is to understand what will be accomplished with this funding, to ensure accountability. He raised a concern about coordination between the EDA, Mayo, the City and County to obtain the best result, and asked what Mayo's key messages were. Council Member Hruska commented on the several initiatives promoting the City, and encouraged coordination. Mayor Brede noted that Mayo's efforts on hiring and marketing had effects on other parts of the community, as well. Mr. George noted that the legislation requires that private funds must be provided first, so it is crucial to have robust marketing and engagement efforts underway in order to attract private investment, and it is critical to close deals to create momentum centering on Heart of the City and Discovery Square. Mr. George requested an update on a market analysis for visitors at a future meeting. Chair Smith reminded the Board that action will be taken on the budget next month.

Lisa Clarke provided an update on the Capital Improvement Plan.

- B. **DMCC 2016 Budget:** In addressing the DMCC's proposed 2016 budget, Chair Smith noted that the budget, which is almost entirely made up of legal, insurance and other fees, is under review and will be approved as part of the entire 2016 Funding Request at the next Board meeting.

- IX. Center for Energy and Environment: Discussion. Sheldon Strom, Mike Bull and Jenny Edwards appeared on behalf of the Center for Energy and Environment. The group presented an update on their work over the last month, which included stakeholder meetings, analysis of energy needs, and discussion about how energy and environmental needs fit into the DMC initiative. The group provided an analysis of preliminary energy opportunities and next steps. Mr. Campbell requested an outline of key players (such as Rochester Public Utilities) along with some additional data on these companies.

- X. Rochester International Airport: Presentation by John C. Reed, Executive Director. Mr. Reed gave a presentation on the Rochester International Airport ("RST"). As RST embarks on its growth strategy, noteworthy projects include: the \$3 million Jet Bridge project for 2015; and the US Customs update and main terminal modification planned for fall of 2016. Additionally, RST is working on expanding its air service and implementing programs like Fly Local to support this mission. Council Member Hruska noted that there were major entities missing on the Fly Local page and asked if there were barriers created by the ownership model. Mr. George requested data on the percentage of flyers affiliated

with Mayo. Steve McNeal, a member of the RST Board, responded that approximately 1/3 of flyers are Mayo Clinic staff, and 1/3 are visitors.

XI. Economic Development Agency.

- A. Update: Lisa Clarke provided a staffing update and announced the EDA has filled four staff positions that report to the Executive Director.

She stated that the DMC website redesign has been the focus of DMC communications efforts over the last month. In the upcoming month, the EDA team will begin the regional outreach to business and civic organizations and outstate communities. For the past 7 months, the EDA has tracked 674 DMC-related stories.

Ms. Clarke reported that this month saw the kick-off of the "DMC Hangouts" – a platform to target discussions in smaller groups. The EDA secured a sponsorship for the Rochester Area Chamber of Commerce's Southeast Minnesota Economic Forum, bringing leaders from around the state together to talk about economic development and how to participate. Rochester Community and Technical College is working with DMC, the Chamber, and others to create hospitality opportunities. Finally, TedX will be coming to Rochester in May of 2016. This will provide a great opportunity for DMC to start discussing America's City for Health and the potential for Rochester.

The EDA team continues to meet with the City and DMCC staff to establish the process for DMC funding applicants.

The transportation working group is currently discussing priority transit and transportation projects for the 2016 CIP, one of which is the hiring of a program management firm.

- B. Website Presentation: Ms. Clarke and Jamie Rothe provided a presentation on the website.

XII. City of Rochester.

- A. Update: Gary Neumann provided the City of Rochester update. He reported that the City is working with the EDA and DMCC on the CIP program. A few of the projects listed in the 2016 CIP include a federal transit study, shared parking, Discovery Square, and the Chateau.

- B. Transit/Infrastructure Program Manager: Mr. Neumann reported that the City sent a letter to the DMCC indicating its intent to retain a program management firm for transportation and infrastructure. Mr. Neumann explained that although the City has many staff and department heads working on these initiatives on a part-time basis, they do not currently have a full time staff person to dedicate to these efforts.

The City asked for approval from the Board to hire a Transit and Infrastructure Program Manager. Mr. Neumann confirmed that the actual numbers for this position will be budgeted annually and certified by the City for DMCC project approval. Chair Smith requested a motion to approve the concept of hiring a transportation and infrastructure program manager. Ms. Park Rani moved and Mayor Brede seconded the motion.

Ayes (6), Nays (0), Motion Carried.

XIII. Meeting Schedule. The next regular meeting is Thursday, September 24, 2015, at 9:30 a.m.

XIV. Adjournment. Mr. Campbell moved to adjourn the meeting. Council Member Hruska seconded.

Ayes (6), Nays (0), Motion Carried.

808568-5

TO: Jim Bier, Treasurer
Kathleen Lamb, Attorney

FR: Dale Martinson, Assistant Treasurer

Date: September 16, 2015

RE: August 2015 Financial Summary



The attached financial summary for August reflecting activity to date totaling \$1,594,225 of 2015 budgeted expenditures plus \$550,675 of total closeout work on the 2014 plan development carryover costs. The total remaining 2015 budget of \$2,478,010 represents 61% to the original budget remaining with just one-third (33%) of the year remaining.

However, it is important to note that through this August report date, no employee costs had been incurred. The DMC EDA now has 4 staff positions that will be paid from this budget and will begin to show up as salary expense in the September and following months expenses.

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

Destination Medical Center Corporation
Financial Budget Summary
August 2015

	2015 Amended Approved Budget	Curent Month July 2015	August 2015 YTD	Amount Remaining	Percent Remaining
General Expenses	217,203	12,811	31,068	186,135	86%
Professional Services	780,600	24,075	204,500	576,100	74%
City Expenses	275,000		-	275,000	100%
Subtotal DMCC	1,272,803	36,886	235,568	1,037,235	81%
Third Party Costs - DMC EDA *					
Payroll, Staff, Administration & Benefits-EDA	218,000	-	-	218,000	100%
General Expenses - EDA	79,000	98	1,490	77,510	98%
Economic Development Outreach	108,000	22,419	153,513	(45,513)	-42%
Meeting Expenses	-	-	-	-	
Professional Services	2,295,000	159,846	1,185,222	1,109,778	48%
Miscellaneous Expenses	100,000	19,000	19,000	81,000	81%
Subtotal EDA	2,800,000	201,363	1,359,225	1,440,776	51%
Total DMCC 2015	4,072,803	238,249	1,594,793	2,478,010	61%
			-		
Plus 2014 EDA Project/Contract Carryover	570,106 *		550,675	19,431	3%
			DMCC Working Capital Note	1,000	
* See Attached Contract Commitments for EDA Portion			EDA Working Capital Note	50,000	

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

DETAIL COST REPORT #3

August 31, 2015

Division	Description	Schedule of Values							Variance	Work in Place	
		Master Project Budget A	Original Contract Amount B	Contract Revisions C	Committed Costs B+C	Committed Direct Owner Purchases D	Un-Committed Costs E	Final Projected Cost B+C+D+E	Over/(Under) Budget (B+C+D+E)-A	Total Work In Place	Percent Complete
	DEVELOPMENT COSTS										
40-05-000	Architecture & Engineering	\$135,000.00	\$13,390.47	\$0.00	\$13,390.47	\$0.00	\$121,609.53	\$135,000.00	\$0.00	\$1,299.57	0.96%
40-05-300	Planning Services, Architecture, Engineering	\$135,000.00	\$13,390.47	\$0.00	\$13,390.47	\$0.00	\$121,609.53	\$135,000.00	\$0.00	\$1,299.57	0.96%
40-25-000	Marketing & Public Relations	\$318,000.00	\$386,516.20	\$0.00	\$386,516.20	\$0.00	(\$68,516.20)	\$318,000.00	\$0.00	\$178,558.70	56.15%
40-25-300	Communications, Marketing & PR	\$108,000.00	\$273,225.00	\$0.00	\$273,225.00	\$0.00	(\$165,225.00)	\$108,000.00	\$0.00	\$153,512.50	142.14%
40-25-310	Public Relations & Communications	\$210,000.00	\$113,291.20	\$0.00	\$113,291.20	\$0.00	\$96,708.80	\$210,000.00	\$0.00	\$25,046.20	11.93%
40-30-000	Development Services	\$1,900,000.00	\$1,862,000.00	\$0.00	\$1,862,000.00	\$0.00	\$38,000.00	\$1,900,000.00	\$0.00	\$1,112,000.00	58.53%
40-30-300	Development Services	\$1,860,000.00	\$1,860,000.00	\$0.00	\$1,860,000.00	\$0.00	\$0.00	\$1,860,000.00	\$0.00	\$1,110,000.00	59.68%
40-30-310	Financial, Accounting & Investment Services	\$40,000.00	\$2,000.00	\$0.00	\$2,000.00	\$0.00	\$38,000.00	\$40,000.00	\$0.00	\$2,000.00	5.00%
40-35-000	Legal Services	\$50,000.00	\$46,329.33	\$548.00	\$46,877.33	\$0.00	\$3,122.67	\$50,000.00	\$0.00	\$46,877.33	93.75%
40-35-300	Legal Services	\$50,000.00	\$46,329.33	\$548.00	\$46,877.33	\$0.00	\$3,122.67	\$50,000.00	\$0.00	\$46,877.33	93.75%
40-90-000	Other Development Costs	\$397,000.00	\$39,264.76	\$225.00	\$39,489.76	\$0.00	\$357,510.24	\$397,000.00	\$0.00	\$20,489.76	5.16%
40-90-115	Payroll, Staff, Administration & Benefits-EDA	\$218,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$218,000.00	\$218,000.00	\$0.00	\$0.00	0.00%
40-90-120	General Expenses-EDA	\$79,000.00	\$1,264.76	\$225.00	\$1,489.76	\$0.00	\$77,510.24	\$79,000.00	\$0.00	\$1,489.76	1.89%
40-90-300	Reimbursable Expenses	\$100,000.00	\$38,000.00	\$0.00	\$38,000.00	\$0.00	\$62,000.00	\$100,000.00	\$0.00	\$19,000.00	19.00%
	Subtotal	\$2,800,000.00	\$2,347,500.76	\$773.00	\$2,348,273.76	\$0.00	\$451,726.24	\$2,800,000.00	\$0.00	\$1,359,225.36	48.54%
	PROJECT CONTINGENCY										
90-00-000	Project Contingency	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	Subtotal	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	PROJECT TOTAL	\$2,800,000.00	\$2,347,500.76	\$773.00	\$2,348,273.76	\$0.00	\$451,726.24	\$2,800,000.00	\$0.00	\$1,359,225.36	48.54%



DESTINATION MEDICAL CENTER

A Global Destination for Health & Healing

September 24th, 2015



DMC 2016
CONSOLIDATED BUDGET

DMC 2016 CONSOLIDATED BUDGET

The 2016 consolidated budget for DMC operations is included below:

2016 BUDGET	
ORGANIZATIONAL EXPENSES	
Destination Medical Center Corporation (DMC Corporation)	
DMCC Board Expenses	\$36,612
General Administrative Expenses	\$180,600
Professional Services	\$780,600
Subtotal	\$997,812
City of Rochester	\$275,000
DMC Economic Development Agency (DMC EDA)	
DMC EDA Staff Costs	\$777,000
DMC EDA Operational Costs	\$163,000
Economic Development Outreach & Support	\$495,000
Professional Services	\$1,148,000
Miscellaneous Costs	\$405,000
Subtotal	\$2,988,000
TOTAL BUDGET	\$4,260,812



DMC CORPORATION

2016 OPERATING BUDGET

2016 DMCC BUDGET: PROPOSED

24-Sep-15

	Escalation	2016												2016 Total
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
DMCC Board Expenses	2.25%													
Meeting Expenses (Note 1)		\$ 2,228	\$ 2,228	\$ 2,228	\$ 2,228	\$ 2,228	\$ 2,228	\$ 2,228	\$ 2,228	\$ 2,228	\$ 2,228	\$ 2,228	\$ 2,228	\$ 26,736
Board Payments (Note 2)		\$ 223	\$ 223	\$ 223	\$ 223	\$ 223	\$ 223	\$ 223	\$ 223	\$ 223	\$ 223	\$ 223	\$ 223	\$ 2,676
Travel Expenses Allowance (Note 3)		\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 7,200
Subtotal		\$ 3,051	\$ 3,051	\$ 3,051	\$ 3,051	\$ 3,051	\$ 3,051	\$ 3,051	\$ 3,051	\$ 3,051	\$ 3,051	\$ 3,051	\$ 3,051	\$ 36,612
General Administrative Expenses	2.00%													
Insurance (Note 4)														\$ 150,000
Miscellaneous Expenses Reserve (Note 5)		\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 30,600
Subtotal		\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 2,550	\$ 180,600
Professional Services	2.00%													
Legal Services														\$ 400,000
External Auditor (Note 5)														\$ 50,000
Professional Services / Contingency (non-EDA provided - Note 5)														\$ 300,000
Insurance / Risk Advisor (Note 6)														\$ 30,600
Subtotal														\$ 780,600
Total Expenses														\$ 997,812

Notes:

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



DMC EDA 2016 OPERATING BUDGET & WORKPLAN

BACKGROUND / STATUTORY FRAMEWORK

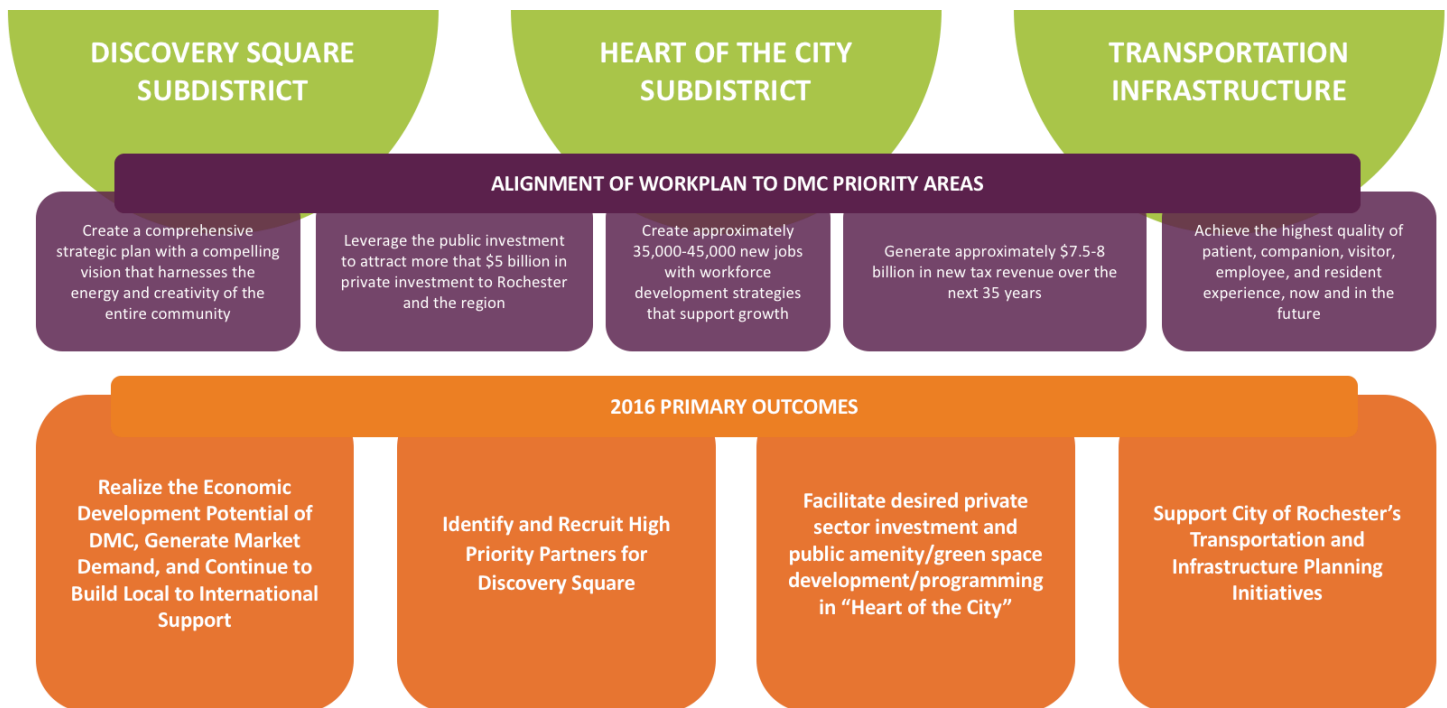
- In 2016, the Destination Medical Center (“DMC”) initiative will be firmly rooted in the implementation phase of work.
- The work to be undertaken is just as envisioned by lawmakers and the executive branch in 2013, and even more tangible and important today with the backing of a strong Development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

DMC EDA PURPOSE

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

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





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

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

Organize a "DMC DAY" event in Rochester that invites potential private and public partners to participate in a detailed tutorial on how DMC connects to Mayo's business strategy.	LEAD
Evolve DMC brand identity and create marketing/collateral materials highlighting Heart of City and Discovery Square.	LEAD
Facilitate private investment into DMC to realize the \$200 million threshold that activates the public DMC funding program.	LEAD
Develop a master list of over 250 industry and thought leaders and stakeholders (local to national) that will be provided a DMC update letter at least twice in 2016. Smaller groups may be identified for personal outreach or briefings.	LEAD
Expand news media outreach and DMC story development by targeting at least 12 MN State media outlets and 10 high-value national media outlets (working in coordination with Mayo public affairs) for briefings and to offer ideas for possible DMC stories.	LEAD

Develop not less than 5 short- and long-term strategies for leveraging existing stakeholder relationships and meeting each of the business/economic development goals of Development Plan (i.e., ignite Bio-Med-Tech economy through Discovery Square, catalyze growth in the Heart of the City, diversify business base in the Development District, foster entrepreneurial enterprise and innovation, and facilitate a regional economy).	LEAD
Enter Phase 2 (advanced) redesign of DMC/DMC EDA Web Site to provide additional functionality for project developers to track DMC funding process and development progress in Heart of City and Discovery Square.	LEAD
Meet monthly with leaders in community services as well as the six policy areas of focus (Energy/sustainability, healthy communities, historic preservation, affordable housing, targeted businesses, and arts and culture), to identify a “Quality of Life” scorecard that considers the public opinion.	PARTICIPATE
Facilitate/assist with programming and placemaking related to public spaces.	PARTICIPATE
Develop a strategy to engage stakeholders and facilitate discussions to position Rochester as the healthiest city in America.	PARTICIPATE
Continue to foster, promote and support community voices that are, or will be users, of the downtown area (students, millennials, baby boomers, etc.)	PARTICIPATE
Meet with IBM to identify technology-based opportunities for priority area in DMC; present related strategic implementation plan by 3 rd quarter of 2016.	PARTICIPATE

Identify and recruit high priority partners for “Discovery Square”

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

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

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

Support City of Rochester’s Transportation and Infrastructure planning initiatives

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

<p>APPENDIX A PROPOSED 2016 BUDGET</p>
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The following proposed 2016 Budget is included as **Appendix A** of this Workplan and made a part hereof.

APPENDIX B COMPREHENSIVE 2016 WORKPLAN

SPECIFIC BUSINESS & ECONOMIC DEVELOPMENT DELIVERABLES / TASKS

- **Business Development & Relations**
 - Implement Adopted Strategies of Development Plan and Detailed Business Development Strategic Implementation Plan
 - Provide Metrics Reporting to Measure Goals and Objectives of the Development Plan
 - Provide Grant Writing Assistance (State, Federal, Local), Tax Credit Application Assistance and Other Funding Sources for Priority Projects
 - Provide Site Location and Demographic Information to Potential Private Project Sponsors and Economic Development Partners
 - Develop Recruitment and Retention Strategies to Address Work Force Development Needs in Targeted Business Sectors
 - Provide Environmental, Infrastructure and Utility Information to Private Sponsors
- **Economic Development**
 - Facilitate Catalytic Development Planning Efforts with Mayo, City, Other Stakeholders
 - Facilitate the Execution of Feasibility Studies and Project Plans by Other Private Partners for Priority Development Areas
 - Coordinate with City of Rochester on Integration of the Development Plan with the City Comprehensive Plan, Ordinances, Policies
 - Coordinate with City of Rochester on Citywide Initiatives, Including Policy Initiatives such as Energy and Sustainability, Healthy Communities, Historic Preservation, Affordable Housing, W/MBE, and Arts and Culture
 - Monitor Private Development in the Development District and Forecast Private Expenditures
 - Assist in Identifying and Evaluating Partnerships for Investment (Including Start-Ups, Business Incubators, Established Companies)
 - Assist in Identifying and Evaluating Sponsorship Opportunities and Facilitate Further Public-Private Partnerships
- **Planning & Infrastructure**
 - Work with City of Rochester and Olmsted County to Manage Preliminary Engineering Studies/Concept Designs for Development Plan Phase 1 Transportation and Infrastructure Plans
 - Work with City of Rochester and Olmsted County to Establish Transit Management Authority
 - Coordinate Master Signage/Wayfinding Plan with the City
 - Coordinate with the City of Rochester and other Stakeholders on Infrastructure Planning for Priority projects.

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

- **Business Development Outreach**
 - Coordinate Messaging and Materials in Support of Strategic Priorities Identified in the DMC Development Plan and by the DMCC Board

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

SPECIFIC OPERATIONS DELIVERABLES / TASKS

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

SPECIFIC FINANCE DELIVERABLES / TASKS

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



DMC
CAPITAL IMPROVEMENT PLAN
2016 UPDATE

[TO FOLLOW UNDER SEPARATE EMAIL CORRESPONDENCE]

A.

DESTINATION MEDICAL CENTER CORPORATION

RESOLUTION NO. __-2015

Approving the 2016 Funding Request and Authorizing Transmittal to City of Rochester

BACKGROUND RECITALS

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.

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED, by the Destination Medical Center Corporation Board of Directors that the 2016 Funding Request and Five Year Capital Plan, dated September 24, 2015 and on file with the DMCC, is approved.

BE IT FURTHER RESOLVED that the DMCC Chair and Treasurer are authorized to transmit the 2016 Funding Request and Five Year Capital Plan to the City of Rochester and to take such actions as are necessary and appropriate to effectuate the 2016 Funding Request and Five Year Capital Plan.



Monthly Report for Destination Medical Center Initiative

Hammes Company

TABLE OF CONTENTS

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



AUGUST 2015

Hammes Company

Major Accomplishments / Last 30 Days

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

- The DMC EDA completed the DMC website redesign.
- The DMC EDA assisted in the selection of a DMC Program Manager Consultant for transportation and infrastructure planning issues.
- The DMC EDA presented its 2016 Workplan and Budget to the DMC Corporation Board.
- DMC was covered in 67 media stories.



Major Tasks / Next 60 Days

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

- DMC EDA staff will be in place in September 2015.
- The DMC EDA will work to finalize the Development Guide that will be available to DMC development interests.
- The DMC EDA will complete the update to the DMC 5-year Capital Improvement Plan based on feedback from the City of Rochester.
- The DMC EDA will work with the City to prepare funding terms and a complete funding program for DMC public infrastructure projects.
- The DMC EDA will continue to focus communications on elevating awareness through outreach across the state and building national support for the DMC.



Monthly Progress Report

AUGUST, 2015

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

2015 WORK PLAN IMPLEMENTATION

DEVELOPMENT

- The DMC EDA is continuing to build the tools and processes that are necessary to seamlessly transition into the implementation phase of the DMC initiative.
- The DMC EDA is coordinating with the City to track potential project activity and updates in the DMC Development District.
- The DMC EDA is working with the City to review the Design Guideline proposal by the Metropolitan Design Center for development of design standards and guidelines within the DMC boundary area.
- The DMC EDA is working to refine the DMC 5-year Capital Improvement Plan based on recent feedback from the City of Rochester.
- The DMC EDA presented its 2016 Workplan, which is focused on the DMC Corporation Board-identified priorities (Heart of the City, Discovery Square and Transportation initiatives) to the DMC Corporation Board.

FINANCE

- The DMC EDA is currently within budget for 2015 and has begun to utilize the Working Capital Loan structure implemented by the DMC Corporation and the City.
- The DMC EDA has publicly presented its 2016 proposed budget to the DMC Corporation Board.
- The closeout of the DMC EDA Development Plan budget is complete.

BUSINESS / ECONOMIC DEVELOPMENT

- The DMC EDA is exploring a more fulsome effort to evolve the DMC brand identity and create marketing/ collateral materials highlighting Discovery Square and Heart of the City priorities.
- The DMC EDA is working with the City to prepare funding terms and a complete funding program for DMC public infrastructure projects.
- The DMC EDA is preparing a Development Guide that will be available to DMC development interests as a reference guide to building and developing in the Destination Medical Center.

EDA OPERATIONS

- The Finance Director and Communications and Community Relations Director both started this month.
- The build-out of the DMC EDA permanent office space is complete and ready for move-in.
- The DMC EDA will be announcing plans for an open house in the near future.

COMMUNICATIONS AND PUBLIC RELATIONS

- Over the last month, Communications focused their efforts on the DMC website redesign.
- In the upcoming month, the DMC EDA plans to begin regional outreach to business/ civic organizations and outstate communities.
- Media results - 67 media stories in the last month.
 - Topics included: Diversity in Building Projects, Sustainability, the McNight Foundation Grant and the Chateau Theater.

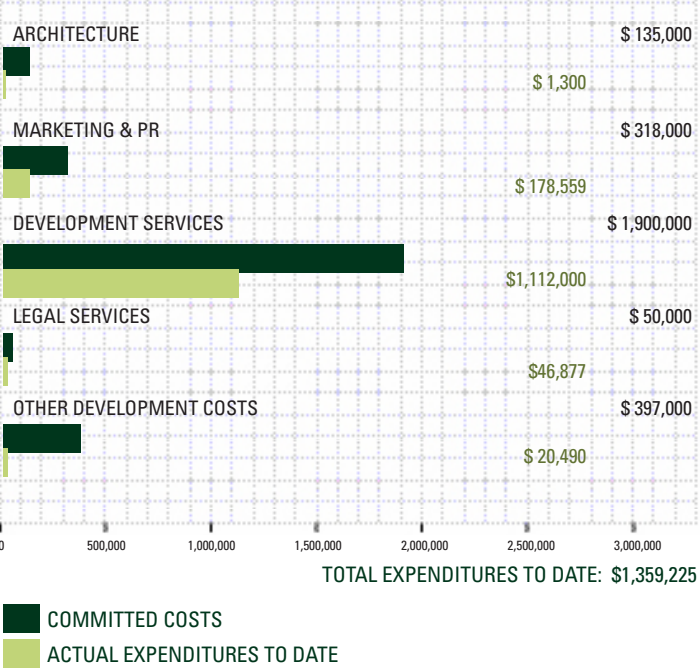
COMMUNITY ENGAGEMENT

- The DMC EDA kicked off “DMC Hangouts” - a planned series of informal conversations that provide an honest dialogue around DMC and the future of Rochester.
- The DMC EDA continues to coordinate meetings with local leaders and organizations to keep informed and maintain relationships: community leaders, Community Engagement Committee, Social Service coalition, Rochester Arts and Culture Collaborative
- The DMC EDA continues to work to coordinate support with key stakeholders for the MN Bike Share program in Rochester and facilitate conversations with local groups.
- The DMC EDA continues to attend/partner with local and regional initiatives e.g. Southern MN Initiatives Foundation, J2G (Journey to Growth), Hospitality First.

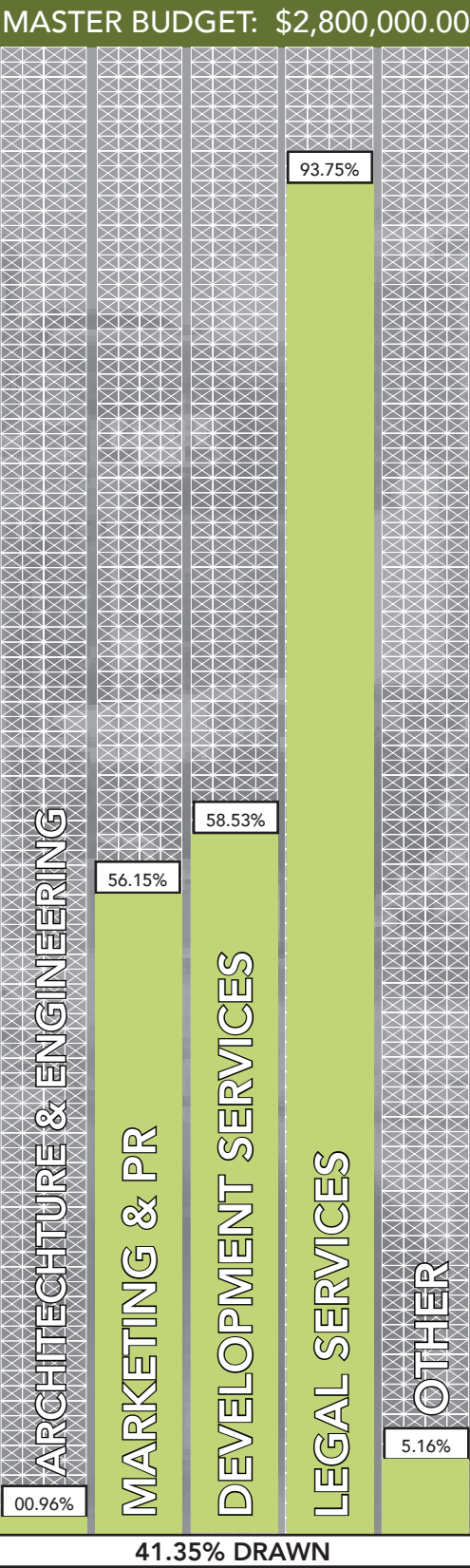
AUGUST 31, 2015

MASTER PROJECT BUDGET

SOURCES OF FUNDS:		Current Application
City Contribution		\$2,800,000
TOTAL SOURCES		\$2,800,000
USES OF FUNDS:		Current Application
Architecture		\$1,300
Marketing & PR		\$178,559
Development Services		\$1,112,000
Legal Services		\$46,877
Other Development Costs		\$20,490
TOTAL WORK IN PLACE		\$1,359,225
BALANCE TO COMPLETE		\$1,440,775
COMMITTED COSTS		\$2,348,274
UNCOMMITTED COSTS		\$451,726
TOTAL USES OF FUNDS		\$2,800,000
* This summary represents the approximately \$2.8 M portion of the budget and/or expenses that are managed and reported by the EDA. The balance of funding is DMCC and City of Rochester funding and managed outside of the EDA budget.		



CUMULATIVE DRAW TO DATE



2.0 MASTER PROJECT BUDGET

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

SOURCES AND USES REPORT #3

August 31, 2015

SOURCES OF FUNDS				USES OF FUNDS			
00-30-005	City Contribution	\$	2,800,000.00	40-00-000	Development Costs	\$	2,800,000.00
				90-00-000	Project Contingency	\$	-
TOTAL SOURCES OF FUNDS		\$	2,800,000.00	TOTAL USES OF FUNDS		\$	2,800,000.00

MASTER PROJECT BUDGET #3

August 31, 2015

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

DETAIL MASTER PROJECT BUDGET #3

August 31, 2015

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

3.0 BUDGET ALLOCATION REPORT

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

BUDGET ALLOCATION REPORT #3

August 31, 2015

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

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

4.0 COST REPORT

The following Cost Report is included herein as Section 4.0.

COST REPORT #3

August 31, 2015

Division	Description	Schedule of Values							Variance	Work in Place	
		Master Project Budget A	Original Contract Amount B	Contract Revisions C	Committed Costs B+C	Committed Direct Owner Purchases D	Un-Committed Costs E	Final Projected Cost B+C+D+E	Over/(Under) Budget (B+C+D+E)-A	Total Work In Place	Percent Complete
	DEVELOPMENT COSTS										
40-05-000	Architecture & Engineering	\$135,000.00	\$13,390.47	\$0.00	\$13,390.47	\$0.00	\$121,609.53	\$135,000.00	\$0.00	\$1,299.57	0.96%
40-25-000	Marketing & Public Relations	\$318,000.00	\$386,516.20	\$0.00	\$386,516.20	\$0.00	(\$68,516.20)	\$318,000.00	\$0.00	\$178,558.70	56.15%
40-30-000	Development Services	\$1,900,000.00	\$1,862,000.00	\$0.00	\$1,862,000.00	\$0.00	\$38,000.00	\$1,900,000.00	\$0.00	\$1,112,000.00	58.53%
40-35-000	Legal Services	\$50,000.00	\$46,329.33	\$548.00	\$46,877.33	\$0.00	\$3,122.67	\$50,000.00	\$0.00	\$46,877.33	93.75%
40-90-000	Other Development Costs	\$397,000.00	\$39,264.76	\$225.00	\$39,489.76	\$0.00	\$357,510.24	\$397,000.00	\$0.00	\$20,489.76	5.16%
	Subtotal	\$2,800,000.00	\$2,347,500.76	\$773.00	\$2,348,273.76	\$0.00	\$451,726.24	\$2,800,000.00	\$0.00	\$1,359,225.36	48.54%
	PROJECT CONTINGENCY										
90-00-000	Project Contingency	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	Subtotal	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	PROJECT TOTAL	\$2,800,000.00	\$2,347,500.76	\$773.00	\$2,348,273.76	\$0.00	\$451,726.24	\$2,800,000.00	\$0.00	\$1,359,225.36	48.54%

DETAIL COST REPORT #3

August 31, 2015

Division	Description	Schedule of Values							Variance	Work in Place	
		Master Project Budget A	Original Contract Amount B	Contract Revisions C	Committed Costs B+C	Committed Direct Owner Purchases D	Un-Committed Costs E	Final Projected Cost B+C+D+E	Over/(Under) Budget (B+C+D+E)-A	Total Work In Place	Percent Complete
	DEVELOPMENT COSTS										
40-05-000	Architecture & Engineering	\$135,000.00	\$13,390.47	\$0.00	\$13,390.47	\$0.00	\$121,609.53	\$135,000.00	\$0.00	\$1,299.57	0.96%
40-05-300	Planning Services, Architecture, Engineering	\$135,000.00	\$13,390.47	\$0.00	\$13,390.47	\$0.00	\$121,609.53	\$135,000.00	\$0.00	\$1,299.57	0.96%
40-25-000	Marketing & Public Relations	\$318,000.00	\$386,516.20	\$0.00	\$386,516.20	\$0.00	(\$68,516.20)	\$318,000.00	\$0.00	\$178,558.70	56.15%
40-25-300	Communications, Marketing & PR	\$108,000.00	\$273,225.00	\$0.00	\$273,225.00	\$0.00	(\$165,225.00)	\$108,000.00	\$0.00	\$153,512.50	142.14%
40-25-310	Public Relations & Communications	\$210,000.00	\$113,291.20	\$0.00	\$113,291.20	\$0.00	\$96,708.80	\$210,000.00	\$0.00	\$25,046.20	11.93%
40-30-000	Development Services	\$1,900,000.00	\$1,862,000.00	\$0.00	\$1,862,000.00	\$0.00	\$38,000.00	\$1,900,000.00	\$0.00	\$1,112,000.00	58.53%
40-30-300	Development Services	\$1,860,000.00	\$1,860,000.00	\$0.00	\$1,860,000.00	\$0.00	\$0.00	\$1,860,000.00	\$0.00	\$1,110,000.00	59.68%
40-30-310	Financial, Accounting & Investment Services	\$40,000.00	\$2,000.00	\$0.00	\$2,000.00	\$0.00	\$38,000.00	\$40,000.00	\$0.00	\$2,000.00	5.00%
40-35-000	Legal Services	\$50,000.00	\$46,329.33	\$548.00	\$46,877.33	\$0.00	\$3,122.67	\$50,000.00	\$0.00	\$46,877.33	93.75%
40-35-300	Legal Services	\$50,000.00	\$46,329.33	\$548.00	\$46,877.33	\$0.00	\$3,122.67	\$50,000.00	\$0.00	\$46,877.33	93.75%
40-90-000	Other Development Costs	\$397,000.00	\$39,264.76	\$225.00	\$39,489.76	\$0.00	\$357,510.24	\$397,000.00	\$0.00	\$20,489.76	5.16%
40-90-115	Payroll, Staff, Administration & Benefits-EDA	\$218,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$218,000.00	\$218,000.00	\$0.00	\$0.00	0.00%
40-90-120	General Expenses-EDA	\$79,000.00	\$1,264.76	\$225.00	\$1,489.76	\$0.00	\$77,510.24	\$79,000.00	\$0.00	\$1,489.76	1.89%
40-90-300	Reimbursable Expenses	\$100,000.00	\$38,000.00	\$0.00	\$38,000.00	\$0.00	\$62,000.00	\$100,000.00	\$0.00	\$19,000.00	19.00%
	Subtotal	\$2,800,000.00	\$2,347,500.76	\$773.00	\$2,348,273.76	\$0.00	\$451,726.24	\$2,800,000.00	\$0.00	\$1,359,225.36	48.54%
	PROJECT CONTINGENCY										
90-00-000	Project Contingency	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	Subtotal	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	PROJECT TOTAL	\$2,800,000.00	\$2,347,500.76	\$773.00	\$2,348,273.76	\$0.00	\$451,726.24	\$2,800,000.00	\$0.00	\$1,359,225.36	48.54%

5.0 CONTRACT SUMMARY REPORT

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

CONTRACT SUMMARY REPORT #3

August 31, 2015

Division	Description	Status	Vendor Name	Contract Number	Original Contract Amount	Contract Revisions	Committed Costs	Direct Owner Purchases	Work in Place	Percent Complete
		Contract								
	DEVELOPMENT COSTS									
40-05-000	Architecture & Engineering				\$13,390.47	\$0.00	\$13,390.47	\$0.00	\$1,299.57	9.71%
40-05-300	Planning Services, Architecture, Engineering	X	CARROLL, FRANCK & ASSOCIATES	4020	\$13,390.47	\$0.00	\$13,390.47	\$0.00	\$1,299.57	9.71%
40-25-000	Marketing & Public Relations				\$386,516.20	\$0.00	\$386,516.20	\$0.00	\$178,558.70	46.20%
40-25-300	Communications, Marketing & PR	X	HIMLE RAPP & CO., INC.	4017	\$255,000.00	\$0.00	\$255,000.00	\$0.00	\$152,500.00	59.80%
40-25-300	Communications, Marketing & PR	X	GINA MARIA CHIRI-OSMOND	4027	\$18,225.00	\$0.00	\$18,225.00	\$0.00	\$1,012.50	5.56%
40-25-310	Public Relations & Communications	X	BRANDHOOT	4016	\$41,051.20	\$0.00	\$41,051.20	\$0.00	\$11,221.20	27.33%
40-25-310	Public Relations & Communications	X	SAM SMITH	4030	\$72,240.00	\$0.00	\$72,240.00	\$0.00	\$13,825.00	19.14%
40-30-000	Development Services				\$1,862,000.00	\$0.00	\$1,862,000.00	\$0.00	\$1,112,000.00	59.72%
40-30-300	Development Services	X	HAMMES COMPANY SPORTS DEVEL.	DMA	\$1,860,000.00	\$0.00	\$1,860,000.00	\$0.00	\$1,110,000.00	59.68%
40-30-310	Financial, Accounting & Investment Services	X	CLIFTONLARSONALLEN LLP	4041	\$2,000.00	\$0.00	\$2,000.00	\$0.00	\$2,000.00	100.00%
40-35-000	Legal Services				\$46,329.33	\$548.00	\$46,877.33	\$0.00	\$46,877.33	100.00%
40-35-300	Legal Services	X	DORSEY & WHITNEY LLP	4015	\$43,049.83	\$0.00	\$43,049.83	\$0.00	\$43,049.83	100.00%
40-35-300	Legal Services	X	MICHAEL BEST & FRIEDRICH LLP	4021	\$3,279.50	\$548.00	\$3,827.50	\$0.00	\$3,827.50	100.00%
40-90-000	Other Development Costs				\$39,264.76	\$225.00	\$39,489.76	\$0.00	\$20,489.76	51.89%
40-90-120	General Expenses-EDA	X	CITY MARKET DOWNTOWN	4018	\$97.79	\$0.00	\$97.79	\$0.00	\$97.79	100.00%
40-90-120	General Expenses-EDA	X	CWS, INC.	4033	\$900.00	\$225.00	\$1,125.00	\$0.00	\$1,125.00	100.00%
40-90-120	General Expenses-EDA	X	DELUXE BUSINESS PRODUCTS	4042	\$266.97	\$0.00	\$266.97	\$0.00	\$266.97	100.00%
40-90-300	Reimbursable Expenses	X	HAMMES COMPANY SPORTS DEVEL.	DMA	\$38,000.00	\$0.00	\$38,000.00	\$0.00	\$19,000.00	50.00%
	Subtotal				\$2,347,500.76	\$773.00	\$2,348,273.76	\$0.00	\$1,359,225.36	57.88%
	PROJECT CONTINGENCY									
90-00-000	Project Contingency				\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	Subtotal				\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	PROJECT TOTAL				\$2,347,500.76	\$773.00	\$2,348,273.76	\$0.00	\$1,359,225.36	57.88%

6.0 MASTER APPLICATION FOR PAYMENT

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

There was no Master Application for Payment for the month of May.

MASTER APPLICATION FOR PAYMENT

MASTER APPLICATION FOR PAYMENT (Form 4020)

From:	HAMMES COMPANY	Application No.:	3	Please Remit To: Acct Name: Acct No: Bank: Notify:
		Application Date:	August 1, 2015	
		Hammes Project No:	40050-06	
To:	DMC Economic Development Authority	Period From:	July 1, 2015	
	200 First Street SW	Period To:	July 31, 2015	
	Rochester, MN 55905	Project Name:	DMC	
Attention:	Executive Director		Economic Development Agency (2015)	

PROJECT MANAGER:

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

Signed By:

Hammes Company Sports Development, Inc.

Date: August 1, 2015

Name: Robert P. Dunn

SOURCES OF FUNDS:

	Current Application
City Contribution	\$ 201,362.79

CURRENT SOURCES OF FUNDS	\$ 201,362.79
--------------------------	---------------

USES OF FUNDS:

	Current Application
40 - Development Costs	\$ 201,362.79
50 - Financing Costs	\$ -
60 - Other Project Costs	\$ -
90 - Project Contingency	\$ -

CURRENT USES OF FUNDS	\$ 201,362.79
-----------------------	---------------

STATEMENT OF PROJECT:

ORIGINAL MASTER PROJECT BUDGET \$ 2,800,000.00

CURRENT MASTER PROJECT BUDGET \$ 2,800,000.00

TOTAL COMPLETED & STORED TO DATE \$ 1,359,225.36

RETAINAGE TO DATE \$ -

TOTAL COMPLETED LESS RETAINAGE \$ 1,359,225.36

LESS PREVIOUS REQUESTS \$ 1,157,862.57

CURRENT AMOUNT DUE (A + B) \$ 201,362.79

CURRENT PAYMENTS DUE (A) \$ 201,362.79

DIRECT OWNER PURCHASES DUE (B) \$ -

APPROVALS:

EDA: _____ Date _____

DMCC: _____ Date _____

DETAIL SOURCES AND USES REPORT #3
August 1, 2015

Division	Description	Final Projected Cost	Previous Billings	Current Billing	Total Billed To Date	Balance to Complete
SOURCES OF FUNDS						
00-30-005	City Contribution	\$2,800,000.00	\$1,157,862.57	\$201,362.79	\$1,359,225.36	\$1,440,774.64
	Total Sources of Funds	\$2,800,000.00	\$1,157,862.57	\$201,362.79	\$1,359,225.36	\$1,440,774.64
USES OF FUNDS						
40-00-000	Development Costs	\$2,800,000.00	\$1,157,862.57	\$201,362.79	\$1,359,225.36	\$1,440,774.64
90-00-000	Project Contingency	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Total Uses of Funds	\$2,800,000.00	\$1,157,862.57	\$201,362.79	\$1,359,225.36	\$1,440,774.64

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

MASTER APPLICATION FOR PAYMENT DETAIL #3

August 1, 2015

Division	Description	Vendor	Contract No	Work Completed To Date					Retainage		
				Previous Billing	Current Work In Place	Direct Owner Purchase	Total Work to Date	Percent Complete	Previous Retainage	Current Retainage	Total Retainage
	DEVELOPMENT COSTS										
40-05-000	Architecture & Engineering			\$1,299.57	\$0.00	\$0.00	\$1,299.57	9.71%	\$0.00	\$0.00	\$0.00
40-05-300	Planning Services, Architecture, Engineering	CARROLL, FRANCK & ASSOCIATES	4020	\$1,299.57	\$0.00	\$0.00	\$1,299.57	9.71%	\$0.00	\$0.00	\$0.00
40-25-000	Marketing & Public Relations			\$131,093.70	\$47,465.00	\$0.00	\$178,558.70	46.20%	\$0.00	\$0.00	\$0.00
40-25-300	Communications, Marketing & PR	HIMLE RAPP & CO., INC.	4017	\$115,000.00	\$37,500.00	\$0.00	\$152,500.00	59.80%	\$0.00	\$0.00	\$0.00
40-25-300	Communications, Marketing & PR	GINA MARIA CHIRI-OSMOND	4027	\$1,012.50	\$0.00	\$0.00	\$1,012.50	5.56%	\$0.00	\$0.00	\$0.00
40-25-310	Public Relations & Communications	SAM SMITH	4030	\$7,910.00	\$5,915.00	\$0.00	\$13,825.00	19.14%	\$0.00	\$0.00	\$0.00
40-25-310	Public Relations & Communications	BRANDHOOT	4016	\$7,171.20	\$4,050.00	\$0.00	\$11,221.20	27.33%	\$0.00	\$0.00	\$0.00
40-30-000	Development Services			\$962,000.00	\$150,000.00	\$0.00	\$1,112,000.00	59.72%	\$0.00	\$0.00	\$0.00
40-30-300	Development Services	HAMMES COMPANY SPORTS DEVEL.	DMA	\$960,000.00	\$150,000.00	\$0.00	\$1,110,000.00	59.68%	\$0.00	\$0.00	\$0.00
40-30-310	Financial, Accounting & Investment Services	CLIFTONLARSONALLEN LLP	4041	\$2,000.00	\$0.00	\$0.00	\$2,000.00	100.00%	\$0.00	\$0.00	\$0.00
40-35-000	Legal Services			\$46,877.33	\$0.00	\$0.00	\$46,877.33	100.00%	\$0.00	\$0.00	\$0.00
40-35-300	Legal Services	DORSEY & WHITNEY LLP	4015	\$43,049.83	\$0.00	\$0.00	\$43,049.83	100.00%	\$0.00	\$0.00	\$0.00
40-35-300	Legal Services	MICHAEL BEST & FRIEDRICH LLP	4021	\$3,827.50	\$0.00	\$0.00	\$3,827.50	100.00%	\$0.00	\$0.00	\$0.00
40-90-000	Other Development Costs			\$16,591.97	\$3,897.79	\$0.00	\$20,489.76	51.89%	\$0.00	\$0.00	\$0.00
40-90-120	General Expenses-EDA	CITY MARKET DOWNTOWN	4018	\$0.00	\$97.79	\$0.00	\$97.79	100.00%	\$0.00	\$0.00	\$0.00
40-90-120	General Expenses-EDA	CWS, INC.	4033	\$1,125.00	\$0.00	\$0.00	\$1,125.00	100.00%	\$0.00	\$0.00	\$0.00
40-90-120	General Expenses-EDA	DELUXE BUSINESS PRODUCTS	4042	\$266.97	\$0.00	\$0.00	\$266.97	100.00%	\$0.00	\$0.00	\$0.00
40-90-300	Reimbursable Expenses	HAMMES COMPANY SPORTS DEVEL.	DMA	\$15,200.00	\$3,800.00	\$0.00	\$19,000.00	50.00%	\$0.00	\$0.00	\$0.00
	Subtotal			\$1,157,862.57	\$201,362.79	\$0.00	\$1,359,225.36	57.88%	\$0.00	\$0.00	\$0.00
	PROJECT CONTINGENCY										
90-00-000	Project Contingency			\$0.00	\$0.00	\$0.00	\$0.00	0.00%	\$0.00	\$0.00	\$0.00
	Subtotal			\$0.00	\$0.00	\$0.00	\$0.00	0.00%	\$0.00	\$0.00	\$0.00
	PROJECT TOTAL			\$1,157,862.57	\$201,362.79	\$0.00	\$1,359,225.36		\$0.00	\$0.00	\$0.00

	Current Work In Place	Direct Owner Purchase	Total Current Work
Current Work In Place	\$201,362.79	\$0.00	\$201,362.79
Less Current Retainage Held	\$0.00	\$0.00	\$0.00
Net Amount Due	\$201,362.79	\$0.00	\$201,362.79

DESTINATION MEDICAL CENTER
ECONOMIC DEVELOPMENT AUTHORITY (2015)

INVOICE SUMMARY REPORT #3

August 1, 2015

Vendor Name	Description	Invoice No	Invoice Date	Invoice Amount	Retainage Held	Amount Due	Approval
BRANDHOOT	Public Relations and Communications	1335	8/1/2015	\$4,050.00	\$0.00	\$4,050.00	
CITY MARKET DOWNTOWN	Catering	101338777	7/15/2015	\$97.79	\$0.00	\$97.79	
HAMMES COMPANY SPORTS DEVEL.	Development Manager Agreement	5005-017	8/1/2015	\$153,800.00	\$0.00	\$153,800.00	
HIMLE RAPP & CO., INC.	Consulting Services-Strategy	0715	8/4/2015	\$37,500.00	\$0.00	\$37,500.00	
SAM SMITH	Social Media	June 2015	8/1/2015	\$2,765.00	\$0.00	\$2,765.00	
SAM SMITH	Social Media	July 2015	8/1/2015	\$3,150.00	\$0.00	\$3,150.00	
GRAND TOTAL				\$201,362.79	\$0.00	\$201,362.79	

7.0 OTHER INFORMATION