



DESTINATION MEDICAL CENTER CORPORATION (DMCC)

BOARD MEETING

5:30 P.M. THURSDAY, APRIL 23, 2015

ROCHESTER CONVENTION CENTER



DESTINATION MEDICAL CENTER CORPORATION (DMCC)
BOARD MEETING

Thursday, April 23, 2015

5:30 P.M.

AGENDA

- I. Call to Order
- II. Roll Call
- III. Approval of Agenda
- IV. Public Hearing: Development Plan
- V. Resolution A: Adoption of Development Plan
- VI. Meeting Schedule
 - A. Next Regular Meeting: Thursday, April 30, 2015, at 9:30 a.m.
- VII. Adjournment

DESTINATION MEDICAL CENTER CORPORATION

RESOLUTION NO. __ - 2015

Adopting the Development Plan

BACKGROUND RECITALS

1. Under Minnesota Statutes Section 469.43, the Destination Medical Center Corporation (“DMCC”), working with the City of Rochester (the “City”) and the Destination Medical Center Economic Development Agency (the “EDA”), must prepare and adopt a development plan.

2. The DMCC received a draft of the development plan prepared by the EDA on December 17, 2014. The DMCC made revisions to the draft on January 29, 2015, and in Resolution 25-2015, the DMCC submitted the proposed development plan, as revised, (the “Development Plan”) to the City for action.

3. The Rochester Planning and Zoning Commission held a special meeting and a public hearing to consider the Development Plan on February 23, 2015. The Commission recommended approval of the Development Plan as a conceptual framework, with nine staff-recommended findings. The City of Rochester Common Council held a public hearing on March 23, 2015 to receive public input and to consider the Development Plan. The City Council approved the Development Plan in a Resolution passed and adopted on March 23, 2015. A copy of the City Council Resolution is attached hereto as Exhibit A.

4. On January 29, 2015, the DMCC made copies of the Development Plan 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 on the EDA’s website. On April 10, 2015, the DMCC published notice of a public hearing scheduled for April 23, 2015 in the *Rochester Post-Bulletin*, the official newspaper of the City and posted the notice on the DMCC, City, and EDA websites. The DMCC received written comments through April 21, 2015.

5. With the benefit of months of review, multiple public hearings, written comments, public testimony, comments from City, County, and Planning and Zoning Commission staff and public officials, the DMCC makes the following findings of fact and resolution.

FINDINGS OF FACT

1. The DMCC mission statement is as follows:

“With Mayo Clinic at its heart, the Destination Medical Center (DMC) initiative will be the catalyst to position Rochester, Minnesota as the world’s premier

destination center for health and wellness; attracting people, investment, and jobs to America's City for Health and supporting the economic growth of Minnesota and its biosciences sector.”

The Development Plan provides a framework for implementing the mission of the DMCC.

2. The Development Plan comports with the goals and objectives adopted by the DMCC, in Resolution 02- 2013, as detailed in Section 1.1.2 of the Development Plan.

3. The Development Plan provides an outline for the development of the City as a destination medical center, and the Development Plan is sufficiently complete, including the identification of planned and anticipated projects, to indicate its relationship to definite state and local objectives.

4. The proposed development affords maximum opportunity, consistent with the needs of the City, Olmsted County, and the State, for the development of the City by private enterprise as a destination medical center.

5. The proposed development conforms to the general plan for the development of the City and is consistent with the City Comprehensive Plan. For purposes of this Finding Five, “proposed development” means the conceptual general framework for development outlined in the Development Plan and approved by the City in its resolution adopted March 23, 2015.

6. The Development Plan includes:

a. Strategic planning consistent with a destination medical center in the core areas of commercial research and technology, learning environment, hospitality and convention, sports and recreation, livable communities, including mixed-use urban development and neighborhood residential development, retail/dining/entertainment, and health and wellness;

b. Estimates of short- and long-range fiscal and economic impacts;

c. A framework to identify and prioritize short- and long-term public investment and public infrastructure project development and to facilitate private investment and development, including the criteria and process for evaluating and underwriting development proposals;

d. Land use planning;

e. Transportation and transit planning;

f. Operational planning required to support the medical center development district; and

g. Ongoing market research plans.

7. In the Resolution passed and adopted on March 23, 2015, the City approved the Development Plan.

8. On April 23, 2015 at 5:30 PM, the DMCC held a special meeting and public hearing to receive public input and to consider the Development Plan. The DMCC published notice of the hearing at least ten days in advance in the *Rochester Post-Bulletin*. The DMCC also received written comments through April 21, 2015.

RESOLUTION

NOW THEREFORE, BE IT RESOLVED by the Destination Medical Center Corporation Board of Directors that the Development Plan, dated and revised as of January 29, 2015, and on file with the DMCC is hereby adopted as a conceptual framework to guide implementation of the Destination Medical Center initiative under Minnesota Statutes, Sections 469.40 to 469.47 and the mission of the DMCC.

BE IT FURTHER RESOLVED that the DMCC specifically adopts as the official boundaries of the Destination Medical Center Development District, described in the Development Plan, Appendix 3.

BE IT FURTHER RESOLVED that the DMCC specifically adopts the evaluation criteria found in the Development Plan, Section 3.2 to guide the DMCC review and approval of projects.

BE IT FURTHER RESOLVED that the DMCC Chair and Vice Chair are authorized to take such other actions as are necessary and appropriate to effectuate the adoption of the Development Plan.

Exhibit A

STATE OF MINNESOTA)
)
COUNTY OF OLMSTED)

I, AARON S. REEVES, CITY CLERK OF THE CITY OF ROCHESTER, MINNESOTA, DO HEREBY CERTIFY THAT I
HAVE COMPARED THE ATTACHED COPY OF A RESOLUTION WITH THE ORIGINAL RESOLUTION ON FILE IN
MY OFFICE AND THAT THE FOREGOING IS A TRUE AND CORRECT COPY OF THE ORIGINAL RESOLUTION.

WITNESSED MY HAND THIS 24th DAY OF MARCH, 2015.



CITY CLERK
CITY OF ROCHESTER, MINNESOTA

(Seal of the City of
Rochester, Minnesota)

RESOLUTION

WHEREAS, the 2013 Session of the Minnesota Legislature enacted Laws 2013, Chapter 143, Article 10 (Minn. Stat. §§469.40 – 469.47) relating to the Destination Medical Center (“DMC Law”); and,

WHEREAS, Minnesota Statutes, section 469.41, subd. 1 established a Destination Medical Center Corporation (“DMCC”) whose primary responsibility is to assist the City of Rochester in preparing and implementing a development plan that will establish the City as a destination medical center; and,

WHEREAS, Minnesota Statutes, section 469.43, subd. 6 requires the medical business entity to establish a nonprofit economic development agency (“EDA”) to develop and market the destination medical center, and to assist the DMCC in preparing the development plan; and,

WHEREAS, Minnesota Statutes, section 469.43, subd. 1 requires the DMCC, working with the City and the EDA, to prepare and adopt a development plan. Before its final adoption of the development plan, the DMCC must hold a public hearing. At least 60 days before the hearing, the DMCC must make copies of the proposed plan available to the public. At least ten days before the public hearing, the DMCC must publish notice of the public hearing in the City’s official newspaper; and,

WHEREAS, before the DMCC can finally adopt the development plan, the plan must satisfy a number of requirements found at Minn. Stat. §469.43, subd. 1(a). Specifically, Minn. Stat. §469.43, subd. 1(a)(5) requires City approval of the development plan; and,

WHEREAS, the DMC Law does not define the term “approval” as it appears in Minn. Stat. §469.43, subd. 1(a)(5); and,

WHEREAS, on December 17, 2014, the DMCC considered a proposed development plan. At this meeting, the DMCC took no action on the proposed development plan, and permitted additional time for DMCC board members and City officials to review and consider the proposed plan; and,

WHEREAS, on January 29, 2015, the DMCC again considered the proposed development plan. At this meeting, the DMCC amended the proposed development plan to change the evaluation criteria to be used in reviewing proposed Destination Medical Center projects. As amended, the DMCC formally submitted the development plan to the City requesting the City’s approval pursuant to Minn. Stat. §469, subd. 1(a)(5) (hereinafter the amended development plan formally submitted to the City will be referred to as “Plan”); and,

WHEREAS, the Plan came before the City of Rochester Common Council on March 23, 2015, as a public hearing. Notice of the hearing was provided to the public. All interested parties were permitted to appear and testify on the Plan; and,

WHEREAS, the Plan states that the DMC is a public-private partnership designed to leverage the growth of the Mayo Clinic and other businesses and institutions within Rochester to create economic opportunity for the local community, region and State as a whole; and,

WHEREAS, the Plan states that the DMC Mission Statement is to foster and direct strategic investment to position Mayo Clinic and Rochester as the world's premier destination medical center and center for health; and,

WHEREAS, the Plan establishes the following goals to serve as guidelines in the planning and development of DMC strategies:

1. Goal #1: Create a comprehensive strategic plan with a compelling vision that harnesses the energy and creativity of the entire community.
2. Goal #2: Leverage the public investment to attract more than \$5 billion in private investment to Rochester and the region.
3. Goal #3: Create approximately 35,000 – 45,000 new jobs with workforce development strategies that support that growth.
4. Goal #4: Generate approximately \$7.5 - \$8.0 billion in new net tax revenue over 35 years.
5. Goal #5: Achieve the highest quality patient, companion, visitor, employee, and resident experience now and in the future;

WHEREAS, the following guiding principles were established in the creation of the Plan:

1. Establish a bold and compelling vision for Rochester and the Destination Medical Center.
2. Sustain Rochester and Southeast Minnesota as a Destination Medical Center and economic engine for the State.
3. Create a comprehensive strategy to drive economic development and investment.
4. Create a market-driven framework and strategies.

5. Create a dynamic and accessible urban core.
6. Develop mobility and transit solutions to support growth.
7. Create a model for sustainability.
8. Use technology and innovation to promote a globally competitive destination; and,

WHEREAS, on February 23, 2015, the Rochester Planning and Zoning Commission held a special meeting to consider the proposed Plan and to receive public comments regarding the Plan; and,

WHEREAS, at the conclusion of its February 23rd meeting, the Commission adopted the following conclusions:

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.
2. The proposed DMC district boundaries are adjustable, and should be considered sufficiently nimble to be expanded to include infrastructure projects needed to support the DMC growth and transportation management objectives.
3. Prescriptive land uses identified in the Plan are reflective of a concept of how the DMC districts could develop. Any City action on the Plan does not address the specificity of those uses.
4. As development proceeds and the Plan is refined, projects near the edges of the DMC districts should be carefully designed to provide transition for the districts to areas outside the districts so as to avoid creating barriers at the edge, and to incorporate inviting corridors for non-motorized travelers.
5. Comprehensive and coordinated transportation solutions will need to be defined, committed to, and strategically implemented by public and non-public 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.
7. Strategies supporting modification of existing building façade's to be more pedestrian friendly and supportive of vibrant urban spaces should be included in Phase I of the DMC implementation.
8. District boundaries can be amended, and should be considered for amendment when or where there are public infrastructure projects needed to support the DMC development, utility, or transportation needs
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 communities. These studies should include a transit/street capacity system study, a project planning study, a downtown parking and Park & Ride needs study, a downtown access authority study, a city loop/cultural crescent implementation study, a priority projects and investment study, and a policy and ordinance study; and,

WHEREAS, on March 23, 2015, the Common Council held a special meeting to consider the proposed Plan and to receive public comments regarding the Plan; and,

WHEREAS, a summary of the public comments made at the March 23rd public hearing can be summarized as follows:

1. Every DMC-related decision will impact public health. Health factors, health impact assessments, and health strategies should be considered in analyzing every DMC project. There should be an emphasis on the sustainability of healthy life;

2. Citizen Advisory on Transit has concerns over the relocation of the downtown bus station. The proposed Plan does not address the way goods and services are moved;
3. Public library needs to be on the map and left in its current location. This is a beautiful library in a perfect location. There is no need to tear it down. The library is needed to give the homeless a place to stay when there is nowhere else to go;
4. There is a need to go beyond the Americans with Disabilities minimum standards and to require additional accommodations for those with disabilities;
5. There is a need to winterize the city to make life more pleasant for residents and visitors. Elevated transit system rather than street car system will improve public transit especially during winter;
6. There is a need to incorporate sustainable, forward-looking practices. The walking, transit, livable, and sustainable provisions of the Plan are good. There is a need to reduce reliance on energy from coal and to use cleaner sources of energy;
7. There is a need to pay greater attention to historic structures;
8. There is little transparency in the DMC process method in creating this Plan. There are no answers to questions from the public. Growth is needed, but so are answers to basic questions about the projects, public costs, and maintenance;
9. Hotels should be required to improve home care services that are not provided by the medical provider;
10. There is too much emphasis on entertainment and tourism and not enough emphasis on caring for sick people after they have been discharged from the hospital;
11. The Plan does not consider how a child would participate in or benefit from the proposed new venues. Will there be spaces for kids? There is a need to talk to those with kids and those who care for kids; and,
12. There is a need for a traffic study and a go-slow, cautious, conservative approach. We need to take care of the basics before we spend money on new ventures. There is more to our community than DMC.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Rochester that the City approve the Plan as amended that was formally submitted to the City on January 29, 2015.

BE IT FURTHER RESOLVED by the Council that the City define the term “approve” as it appears in this resolution as follows:

1. The term “approve” means agreement with and acceptance of the Plan as a conceptual general framework for development designed to achieve the five goals and eight guiding principles described in this resolution, as well as the Plan’s establishment of the DMC Development District boundaries.
2. The term “approve” does not mean commitment to or adoption of any specific development project, project design, project location, policy, or public funding proposal that might be contained within the Plan.
3. The term “approve” does not mean any City commitment to or promise to enact any specific tax, budget, or to appropriate public funds, approve a capital investment, adopt a land use control, or to approve any DMCC Funding Request that seeks public funds for any DMC-related purpose.
4. The term “approve” does not mean any City commitment to or adoption of any specific land use, parking solution, land use solution, or transportation solution or route.

BE IT FURTHER RESOLVED by the Council that the City approves of the amended evaluation criteria found within the Plan only to the extent the criteria are used to assist the DMCC and the Council in making decisions on DMC projects.

PASSED AND ADOPTED BY THE COMMON COUNCIL OF THE CITY OF
ROCHESTER, MINNESOTA, THIS 23rd DAY OF MARCH, 2015.


PRESIDENT OF SAID COMMON COUNCIL

ATTEST: 
CITY CLERK

APPROVED THIS 24th DAY OF MARCH, 2015.


MAYOR OF SAID CITY

