

**DESTINATION MEDICAL CENTER CORPORATION
BOARD OF DIRECTORS**

MINUTES
November 13, 2014

- I. Call to Order. Chair Tina Smith called the meeting to order at approximately 10:30 a.m. in the Mayo Civic Center Ballroom, located at 30 Civic Center Drive SE, Rochester, MN 55904.

- II. Roll Call. In attendance were Chair Tina Smith, Mayor Ardell F. Brede, Commissioner Jim Bier, City Council Member Ed Hruska, Susan Park Rani, and R.T. Rybak.

- III. Adoption of Agenda. Commissioner Bier moved approval. Council Member Hruska seconded.

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

- IV. Approval of Minutes. Chair Smith requested approval of the Minutes from the meeting of September 11, 2014. Ms. Park Rani moved approval, Mayor Brede seconded.

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

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

Wayne Flock from the Slatterly Park Neighborhood Association voiced his support of the DMC vision for downtown Rochester, and spoke about the importance of integrating the DMC development with adjacent downtown neighborhoods.

Kelly Mueller, a Rochester real estate developer and member of the Kutzky Park neighborhood Association stated her neighborhood is close to the DMC boundary and voiced her concern that better coordination with the county planning department and better staffing is needed to implement zoning and land-use restrictions to curb undesired development in her neighborhood.

Richard Olin spoke about an elevated transit system for downtown Rochester as a better transit strategy than a streetcar system.

Jodi Millerbernd, Executive Director of the Rochester Boys and Girls Club, stated that the impacts of the DMC project will be positive on the communities her organization serves.

Barry Skolnick voiced concerns about the architectural concepts in the DMC vision and asked for more programming information. He also voiced concerns about businesses that are leaving downtown Rochester.

In addition, Nancy Slocum, a member of the Historic Southwest Neighborhood Association, Rochester Conservancy, submitted correspondence regarding energy standards, transit, historic preservation, and adjacent development.

- VI. Presentation. Jeffrey D. Thompson, Chief Judge, Third Judicial District, presented his thoughts on how the DMC initiative will impact the court system.

- VII. Chair's Report. Chair Smith provided a report to the Board on the following:

- A. Project Update. Chair Smith commented that the EDA and City have been working extremely hard on the draft Development Plan. The DMCC will receive the draft Plan on December 17, but take no action. The Board will have time to review the draft Plan prior to formally submitting it to the City on January 29.
- B. DMCC Audit Requirement and Process. Chair Smith explained the City requirement for an annual audit to be performed by the DMCC, and asked for comments as to the process. Council Member Hruska indicated his preference for a request for proposal process. Chair Smith directed legal counsel to develop a request for proposals.
- C. DEED Update. Chair Smith indicated that discussions are ongoing, and that a clarification of the legislation would be requested during the legislative session.
- D. Best Practices Trips. Chair Smith opened a discussion on the Best Practices trips that both EDA and DMCC board members participated in late September/early October. Mayor Brede reported on the trip to Portland and Seattle, specifically on the transit alternatives. Commissioner Bier commented that the downtown will be revitalized if transportation is good. Ms. Park Rani reported on the Cleveland and Indianapolis trip, and noted that it was inspiring to see what these cities did with economic development. Council Member Hruska commented that collaboration and parties working together were important factors in the success of the cities visited. He also noted the significant role that philanthropy plays in driving redevelopment in Cleveland, Ohio, particularly that of the Cleveland Foundation. Mr. Rybak commented that Cleveland is a very strong competitor in terms of their progress in attracting medical industry and convention business and that Cleveland's medical trade center, new convention complex and hotels are excellent. He mentioned that even with Rochester's expanded convention center, it would not be able to compete with Cleveland, but if Rochester and Minneapolis/St. Paul worked together, their combined offerings would surpass Cleveland. Mr. Rybak is also very impressed with Indianapolis' bike trail system. Chair Smith added that Cleveland's success can be attributed to the city's emphasis on entrepreneurship and small business development as well as the philanthropic community and private sector working together.

VIII. DMCC Funding Request.

Chair Smith reported that the 2015 Funding Request has been forwarded to the City for its review and approval.

- IX. Women and Minority Business Enterprise: Update. City Council President Randy Staver provided the following updates: the City has adopted a preliminary policy that will be finalized by the end of 2014. The preliminary policy includes employment and contractor goals, MBE, WBE, Veteran-owned and Small Business participation goals. The City is also soliciting feedback from the business and construction industry as well as discussing potential collaboration with Rochester's local Workforce Development Center. Mr. Rybak and Ms. Park Rani commended this effort. Mr. Rybak stressed the importance of involving small local businesses, providing capacity building support and creating a central point of contact to oversee the implementation of these initiatives.

Council President Staver also informed the Board that the Comprehensive Plan is scheduled for completion by November 2015. The consultant team recently presented a detailed schedule to the City Council.

- X. Economic Development Agency: Report. Dr. Patricia Simmons provided the following update: 1) the EDA is working well within the approved budget and due to adjustments in the launch schedule for full EDA operations, the EDA will be significantly under budget for 2014; 2) there are good on-going discussions with the City's technical committee, finance team, and comprehensive plan team; 3) there have been regular briefings with elected officials; 4) there is continuing

community engagement and the recent launch of an engagement "toolkit" in coordination with the Comprehensive Plan team to provide more grassroots engagement opportunities with the community; and 5) the EDA's 2015 operations will launch after its operating budget is approved and funding agreements between the City, State, and the DMCC have been executed.

Council Member Hruska asked about the review and approval process for the EDA's monthly expenditures. Dr. Simmons noted that the EDA board oversees the EDA budget and monthly expenditure reports are distributed to EDA board members monthly and are approved at EDA board meetings. Any substantial expenditure that might come up would require EDA board approval.

- XI. 2015 Regular Meeting Schedule. Chair Smith asked for a motion to establish the 2015 regular meeting schedule. Mr. Rybak moved approval. Commissioner Bier seconded.

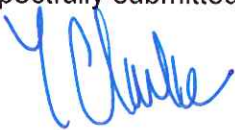
Ayes (6), Nays (0), Motion carried.

- XII. Next Meeting. The next DMCC Board meeting is scheduled for Wednesday, December 17 at the Civic Center.

- XIII. Adjournment. Commissioner Bier moved to adjourn the meeting. Council Member Hruska seconded.

Ayes (5), Nays (0), Motion carried.

Respectfully submitted,



Lisa Clarke
Secretary