

FINANCING

DMC FINANCIAL FRAMEWORK

The DMC prescribes a process by which DMC funds may be allocated to public infrastructure projects in accordance with the DMC Development Plan as approved in April 2015, whether public or private, and financed in part or in whole with public money.

Public infrastructure projects are identified in the model as:

- ▶ **General Infrastructure Projects** that are inclusive of both public works and development projects.
- ▶ **Transportation Infrastructure Projects.**

These categories are used to identify not only the type of project, but also the type of DMC funds assumed to be expended on these projects.

DMC FUNDING IS GAP FINANCING

DMC funding is gap financing, which supports the extraordinary costs of creating and sustaining a global destination.

DMC IS A PRIVATE-PUBLIC MODEL FOR INVESTMENT

The most innovative element of the DMC strategy is that **private investment leads the public investment**. Private development and investment is coupled with public funds to support the strategic initiatives of the plan (e.g., catalytic developments, shared parking, transit spaces, public spaces and amenities). The DMC law requires the private sector to meet a \$200 million threshold investment to activate the DMC funding program. Ongoing private investment is required to secure the \$585 million in public investment over the defined 20-year period.

The DMC Application for Funding can be found on the DMC website at dmc.mn/devapplication.

USE OF FUNDS

GENERAL INFRASTRUCTURE PROJECTS

General infrastructure projects anticipated in Phase 1 may include, but are not limited to, the following:

- Non-Transit Streets and Sidewalks
- Public Utilities
- Parcel Development
- Development
- Civic Uses, Public Spaces, Cultural Amenities
- Shared Parking



TRANSIT INFRASTRUCTURE PROJECTS

Transit/Transportation infrastructure projects anticipated in Phase 1 may include, but are not limited to, the following:

- Transit
- Transit/Streets and Bridges
- Transit Stations and Parking
- Active Transportation
- Signage and Wayfinding



SUPPLEMENTAL FUNDING

Successful cities and destinations draw from significant federal, state, local, and charitable resources to implement the vision and specific project objectives. To be truly successful, DMC cannot rely solely on DMC funds or allocations from the City of Rochester, Olmsted County, Mayo Clinic, or local developers to achieve the vision.

The following is an initial listing of federal and state funding/grant programs that have been identified as potential funding sources and for which certain DMC projects may be eligible. A comprehensive funding resource manual can be provided by the DMC Economic Development Agency upon request.

FEDERAL FUNDING SOURCES

- ▶ US Department of Commerce
 - Public Works
 - Economic Adjustment Assistance
- ▶ US Department of Treasury
 - Low-Income Housing Tax Credit
 - New Market Tax Credit
- ▶ US Department of the Interior
 - Historic Preservation Tax Incentives
 - Land and Water Conservation Fund
- ▶ US Department of Transportation
 - Fixed-Guideway Capital Investments Grants
 - Urbanized Area Formula Grants
 - Bus and Bus Facilities Grants
 - Tiger Discretionary Grants
 - Transportation Alternatives Program
- ▶ US Department of Housing and Urban Development
 - Community Development Block Grants
 - Home Investment Partnership Program
- ▶ US Department of Homeland Security
 - EB-5 Immigrant Investor Program

STATE FUNDING SOURCES

- ▶ Department of Employment and Economic Development
 - Job Creation Fund
- ▶ Economic Assistance Programs
 - Brownfield Tax Incentive
- ▶ Department of Employment and Economic Development
 - Contamination Cleanup Grant and Contamination Investigation and Response Action Plan Development Grant Programs