



DMC
Destination
Medical Center

Destination Medical Center Corporation
Executive Committee Meeting

Thursday, March 21, 2019

9:30 A.M.

Mayo Civic Center
Rochester, Minnesota

DESTINATION MEDICAL CENTER CORPORATION

EXECUTIVE COMMITTEE

March 21, 2019
9:30 A.M.

AGENDA

- I. Call to Order
- II. Roll Call
- III. Approval of Agenda.....1
- IV. Approval of Minutes: February 1, 2018.....3
- V. April 1 Report to DEED.....5
(Presenters: Doug Holtan, Mayo Clinic; Terry Spaeth, City)
Resolution No. EC-5-2019:
Authorizing April 1 Report to DEED Pursuant to Statute
- VI. EDA: Request for 2018 Budget Encumbrance.....19
- VII. Other
- VIII. Adjournment

DESTINATION MEDICAL CENTER CORPORATION

EXECUTIVE COMMITTEE

February 1, 2018

MINUTES

- I. Call to Order. Acting Chair Jim Bier called the meeting to order at 9:30 a.m. at the Mayo Civic Center, Suite 111, located at 30 Civic Center Drive SE, Rochester, MN 55904.
- II. Roll Call. In attendance were Acting Chair Bier and R.T. Rybak. Mayor Ardell Brede was present.
- III. Approval of Agenda. Mr. Rybak moved approval of the agenda. Mr. Bier seconded.

Ayes (2), Nays (0), Motion carried.
- IV. Approval of Minutes: May 24, 2017. Mr. Rybak moved approval of the Minutes. Mr. Bier seconded.

Ayes (2), Nays (0), Motion carried.
- V. DMCC/City Report to the Legislature, Due by February 15, 2018. Mr. Bier invited Lisa Clarke, EDA Executive Director, to present the proposed DMC annual report to the Legislature. Mr. Bier noted that reporting on an annual basis allows the Board and public to take a full view of the strategic, incremental implementation of the DMC development plan and realize the depth and breadth of economic development activity.

Ms. Clarke presented the proposed report. She specifically noted the certification of more than \$297 million in private investment and the strategic efforts being made by community, regional, and state stakeholders to fulfill the goals of the DMC development plan.

Resolution No. EC-4-2018: Authorizing Report to the Legislature Pursuant to Statute. Mr. Bier moved approval of the annual report to the Legislature. Mr. Rybak seconded.

Ayes (2), Nays (0), Motion carried.
- VI. EDA: Request for 2017 Budget Encumbrance. Patrick Seeb, EDA Economic Development and Placemaking Director and Gary Neumann, Assistant City Administrator, presented the joint City-EDA budget encumbrance request. The request allocates funds for the purpose of public realm design work for Heart of the City and Discovery Walk that was budgeted for and initiated in 2017, and includes a

portion of work that continued into 2018. Mr. Neumann noted that the DMCC had previously encumbered funds to complete work activities.

Mr. Bier congratulated Mr. Neumann on his impending retirement.

Mr. Rybak moved approval of the encumbrance request. Mr. Bier seconded.

Ayes (2), Nays (0), Motion carried.

VII. Other. Mr. Bier invited members of the public to review the annual report to the Legislature.

VIII. Adjournment. Mr. Rybak moved to adjourn the meeting. Mr. Bier seconded.

Ayes (2), Nays (0), Motion carried.

Report to DEED

**DMCC Executive Committee Materials
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Page 7: Resolution authorizing the DMCC Chair or Treasurer to submit the report

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Page 9: Certification of Expenditures form

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Page 11: Summary sheet of 2018 private investment

a. *Completed Projects:*

Construction permits closed in 2018, including the value of expenditures completed against those permits in 2018 and the year the permit was created

b. *2016/2017 Destination Medical Center - Partially Completed Projects Tracking:*

Partially completed private projects with expenditures in 2016, 2017, & 2018

c. *2017/2018 Destination Medical Center - Partially Completed Projects Tracking:*

Partially completed private projects with expenditures in 2017 & 2018

d. *2018 Destination Medical Center - Partially Completed Projects Tracking:*

Partially completed private projects with expenditures in 2018

Page 12: Partially Completed Projects

Page 13: Construction permits that were both opened and completed in 2018

Page 14: Construction permits opened in 2017 and completed in 2018

Page 15: Construction permits opened in 2016 and completed in 2018

Page 16: Construction permits opened in 2015 and completed in 2018

Page 17: Construction permits opened in 2014 and completed in 2018

Page 18: Construction permits opened in 2013 and completed in 2018

DESTINATION MEDICAL CENTER CORPORATION

EXECUTIVE COMMITTEE

RESOLUTION NO. EC-5-2019

Authorizing April 1 Report to DEED Pursuant to Statute

BACKGROUND RECITALS

A. Minnesota Statutes, Section 469.47, provides that by April 1 of each year, the medical business entity (Mayo Clinic) must certify to the Commissioner of the Department of Employment and Economic Development (“DEED”) the amount of expenditures made by Mayo Clinic in the preceding year. For expenditures made by an individual or entity other than Mayo Clinic, the Destination Medical Center Corporation (“DMCC”) must compile the information on the expenditures and may certify the amount to DEED. The certification to DEED must be in the form prescribed by DEED and include any documentation and supporting information regarding the expenditures that DEED requires. By August 1 of each year, DEED must determine the amount of expenditures for the previous year.

B. Staff from the City of Rochester and the Destination Medical Center Economic Development Agency (“EDA”) have prepared the draft report, due on April 1, 2019, attached hereto as Exhibit A.

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED, by the Executive Committee of the Destination Medical Center Corporation Board of Directors that the Chair or Treasurer of the DMCC is authorized to execute and submit the report to the Minnesota Department of Employment and Economic Development as required by Minnesota Statutes, Section 469.47, in form similar to the form attached hereto as Exhibit A, as may be modified through further discussions with Mayo Clinic or the City of Rochester, and to take such other actions as are necessary and appropriate to effectuate the timely submission of the report to DEED.

EXHIBIT A

Certification of Expenditures Destination Medical Center

For Calendar Year 2018

Due to Commissioner of Employment and Economic Development (DEED) by April 1

The Medical Business Entity and the Destination Medical Center Corporation (DMCC) Board of Directors (assisted by the City of Rochester) hereby submits to the Department of Employment and Economic Development (DEED) the following report for expenditures that relate to the Destination Medical Center (DMC) Development for the calendar year 2018, and the certifications required to support the documentation under the City of Rochester Commissioner of Employment and Economic Development State Infrastructure Aid Agreement.

Expenditures Reported this Year

Total Expenditures Reported This Year by Medical Business Entity¹

\$	126,492,416.01
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Total Expenditures Reported This Year for other Private Entities^{1,2}

\$	135,369,428.31
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TOTAL Expenditures This Year

\$	261,861,844.32
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All Expenditures claimed since June 30, 2013

Previous Years Expenditures (cumulative)

\$	428,662,787.00
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TOTAL Expenditures This Year³ (from Box 3)

\$	261,861,844.32
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All Claimed Expenditures as of 12/31/18 (Box 4 plus Box 5)

\$	690,524,631.32
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Qualified Expenditures claimed in 2018 (Box 6 minus \$200,000,000)

\$	490,524,631.32
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State Aid Qualified for this Year (local government match also required)

General State Infrastructure Aid Qualified for (Box 7 multiplied by .0275)

\$	13,489,427.36
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State Transit Aid Qualified for (Box 7 multiplied by .0075 and then multiplied by .6)

\$	2,207,360.84
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By providing my signature below, I am hereby certifying that, to the best of my knowledge, the information stated herein is accurate, true and complies with the provisions of Statute 467.47 of the State of Minnesota and the approved methodology as outlined in the City of Rochester Commissioner of Employment and Economic Development State Infrastructure Aid

For Expenditures By the Medical Business Entity:

Mayo Clinic Chief Financial Officer

Date

For all other Expenditures:

Destination Medical Center Corporation

Date

¹ Expenditures need to be after June 30, 2013

² Other Private Entities' certification of expenses may be certified retroactively in 2014 after the Destination Medical Center District and Development Plan are adopted.

³ This figure is based solely upon project building permit costs. Minn. Stat. § 469.47, subd 1(d) permits additional expenditures, and discussion is underway as to how to document such additional expenditures, which may result in adjustments.

2018 Tracking Worksheet

Building Permits within the DMC Boundary

(Does not include Mayo Clinic Projects)

Year	Completed Projects
2013	\$ 94,425.00
2014	\$ 94,498.00
2015	\$ 83,301.00
2016	\$ 5,020,000.00
2017	\$ 6,165,666.00
2018	\$ 1,731,468.00
TOTAL	\$ 13,189,358.00

2016/2017 Destination Medical Center - Partially Completed Projects Tracking

Project	Address	Total Building Permit Value	2016	2017	2018
			Partial Completed Work Claimed	Completed Work Claimed	Completed Work Claimed
1st Avenue Flats	400 NW 1 Avenue	\$ 8,719,735.57	\$ 4,976,244.00	\$ 3,743,491.57	
Lofts at Mayo Park	123 SE 6 Avenue	\$ 6,900,000.00	\$ 6,347,552.97	\$ 552,447.03	
501 on First	501 SW 1 Avenue	\$ 12,977,182.75	\$ 12,534,186.96		\$ 442,995.79
Flats on 4th (Buckeye)	412 SE 3 Avenue	\$ 13,082,292.00	\$ 8,906,937.40		\$ 4,175,354.60
Total		\$ 41,679,210.32	\$ 32,764,921.33	\$ 4,295,938.60	\$ 4,618,350.39
Dollar Value of building permits finalized in 2016			\$ 1,555,125.00		
Dollar amount submitted for partial work in 2016			\$ 31,209,796.33		

2017/2018 Destination Medical Center - Partially Completed Projects Tracking

Project	Address	Total Building Permit Value	2017	2018	Payments AIA Documentation thru 12/31/2018
			Partial Completed Work Claimed	Completed Work Claimed	
Broadway @ Center	10 East Center Street	\$ 84,282,463.00	\$ 33,866,963.98	\$ 50,415,499.02	\$ 85,216,473.59
Discovery Square	202 SW 4 Street	\$ 16,009,000.00	\$ 2,965,073.30	\$ 13,043,926.70	\$ 21,476,167.17
Dollar amount submitted for partial work		\$ 100,291,463.00	\$ 36,832,037.28	\$ 63,459,425.72	

2018 Destination Medical Center - Partially Completed Projects Tracking

Project	Address	Total Building Permit Value	2018
			Partial Completed Work Claimed
Ronald McDonald House	850 2nd Street SW	\$ 10,126,000.00	\$ 4,872,363.01
Hotel Indigo (Holiday Inn)	220 South Broadway	\$ 5,500,000.00	\$ 1,016,551.10
Residence @ Dis. Sq.	511 3rd Ave. SW	\$ 19,000,000.00	\$ 9,820,880.09
Urban on First	429 South Broadway	\$ 30,808,958.00	\$ 12,455,954.00
Berkman (Alatus)	217 & 301 14th Ave SW	\$ 93,315,800.00	\$ 25,936,546.00
		\$ 158,750,758.00	\$ 54,102,294.20

TOTAL \$ 135,369,428.31

2016 Destination Medial Center - Partially Completed Projects Tracking											To Be Claimed
Project	Address	2016	2017							2017	2018
		Partial Completed Work Claimed	Permit Number	Value	Completion Date	Permit Number	Value	Completion Date	Total Permits	Balance Claimed	Balance Claimed
1st Avenue Flats	400 NW 1 Avenue	\$ 4,976,244.00	R16-0024MFB	\$ 622,000.00		R16-0008MFB	\$ 8,097,735.57	6/26/2017	\$ 8,719,735.57	\$ 3,743,491.57	
Lofts at Mayo Park	123 SE 6 Avenue	\$ 6,347,552.97	R15-0079MFB	\$ 794,323.00	3/6/2017	R16-0011MFB	\$ 6,105,677.00	8/17/2017	\$ 6,900,000.00	\$ 552,447.03	
501 on First	501 SW 1 Avenue	\$ 12,534,186.96	R15-0053MFB	\$ 1,555,125.00	9/2/2016	R15-0058MFB	\$ 11,422,057.75	1/28/2018	\$ 12,977,182.75		\$ 442,995.79
Flats on 4th (Buckeye)	412 SE 3 Avenue	\$ 8,906,937.40	R15-0107MFB	\$ 2,400,000.00	12/6/2018	R16-0009MFB	\$ 10,682,292.00	2/12/2018	\$ 13,082,292.00		\$ 4,175,354.60
TOTAL for 2016		\$ 32,764,921.33							\$ 41,679,210.32	\$ 4,295,938.60	\$ 4,618,350.39
Dollar amount finaied in 2016		\$ 1,555,125.00									
Dollar amount submitted for partial work in 2016		\$ 31,209,796.33									
TOTAL for 2017		\$ 4,295,938.60									
TOTAL for 2018		\$ 4,618,350.39									

2017 Destination Medial Center - Partially Completed Projects Tracking													
Project	Address	2017	2017										2018
		Partial Completed Work Claimed	Permit Number	Value	Completion Date	Permit Number	Value	Completion Date	Permit Number	Value	Completion Date	Total Permits	Balance to Claim
Broadway @ Center	10 East Center Street	\$ 33,866,963.98	R15-0081CB	\$ 1,000,000.00	12/6/2018	R15-0384CB	\$ 45,000,000.00		R15-0447CB	\$ 38,282,463.00		\$ 84,282,463.00	\$ 50,415,499.02
Discovery Square	202 4th Street SW	\$ 2,965,073.30	R17-0384CB	\$ 1,750,000.00	11/13/2018	R17-0454CB	\$ 1,290,000.00	11/13/2018	R17-0492CB	\$ 12,969,000.00		\$ 16,009,000.00	\$ 13,043,926.70
TOTAL for 2017		\$ 36,832,037.28										\$ 100,291,463.00	\$ 63,459,425.72
Dollar amount finaied in 2017		\$ -											
Dollar amount submitted for partial work in 2017		\$ 36,832,037.28											
TOTAL for 2018		\$ 63,459,425.72											

2018 Destination Medial Center - Partially Completed Projects Tracking													
Project	Address	2018	2018										2019
		Partial Completed Work Claimed	Permit Number	Value	Completion Date	Permit Number	Value	Completion Date	Permit Number	Value	Completion Date	Total Permits	Balance to Claim
Ronald McDonald House	850 2nd Street SW	\$ 4,872,363.01	R18-0048CB	\$ 10,126,000.00								\$ 10,126,000.00	\$ 5,253,636.99
Hotel Indigo (Holiday Inn)	220 South Broadway	\$ 1,016,551.10	R18-0294CB	\$ 500,000.00		R18-0389CB	\$ 5,000,000.00					\$ 5,500,000.00	\$ 4,483,448.90
Residence @ Dis. Sq.	511 3rd Ave. SW	\$ 9,820,880.09	R17-0143MFB	\$ 1,750,000.00		R17-0141MFB	\$ 17,250,000.00					\$ 19,000,000.00	\$ 9,179,119.91
Urban on First	429 South Broadway	\$ 12,455,954.00	R18-0003MFB	\$ 2,428,958.00		R18-00115MFB	\$ 28,380,000.00					\$ 30,808,958.00	\$ 18,353,004.00
Berkman (Alatus)	217 & 301 14th Ave SW	\$ 25,936,546.00	R17-0157MFB	\$ 4,900,000.00		R18-0011MFB	\$ 86,237,507.00		R18-0043RB	\$ 2,178,293.00		\$ 93,315,800.00	\$ 67,379,254.00
TOTAL for 2018		\$ 54,102,294.20											

PARTIAL PROJECTS

GRAND TOTAL FOR 2018 \$ 122,180,070.31

2018 Building Permits (Entire Year)
CLOSED BUILDING PERMITS

(Within DMC Boundary, does not include Mayo Projects)

	Sub Type Level	Category Level	Permit Number	Permit Issue Date	Within DMC Boundary	Parcel Number	Address Info	Permit Valuation	Work Description	Mayo Project	Owner	Current Permit Status	Current Permit Status Date
1	Commercial Bldg	Phased Partial Permit	R17-0454CB	2/7/2018	Yes	050075	202 SW 4 ST, ROCHESTER, MN 55902	\$1,290,000	Partial structural set through level 2. (Discovery Square Phase 1)	No	Mortenson Properties, Inc. 700 Meadow Lane N Minneapolis, MN 55422	Finaled	11/13/2018
2	Commercial Bldg	Phased Partial Permit	R18-0074CB	3/8/2018	Yes	070415	400 SW 5 AVE, ROCHESTER, MN 55902	\$37,000	Interior Demolition (Christ United Methodist Church)	No	CHRIST UNITED METHODIST CHURCH 400 5 AVE SW ROCHESTER, MN 55902	Finaled	12/17/2018
3	Commercial Bldg	Alteration	R18-0088CB	5/21/2018	Yes	014432	324 S BROADWAY AVE, ROCHESTER, MN 55904	\$130,000	Adding bathrooms, sprinkler system, changing stairway (Fagan Studios)	No	Shawn Fagan 324 South Broadway Rochester, MN 55904	Finaled	10/3/2018
4	Commercial Bldg	Alteration	R18-0094CB	6/21/2018	Yes	078774	221 SW 1 AVE, ROCHESTER, MN 55902	\$80,000	Fit-up of a White box space for Rochester Home Infusion office (Bio Business building)	No	Rochester Home Infusion 221 1st Ave SW Rochester, MN 55902	Finaled	10/4/2018
5	Commercial Bldg	Alteration	R18-0197CB	7/3/2018	Yes	017887	16 SW 1 ST 102, ROCHESTER, MN 55902	\$140,000	Alteration to suite 101-102 into a salon. (Luxe Beauty Bar)	No	Tamanna Amari Krebsbach 2491 Hawk Hill Lane SW Rochester, MN 55902	C of O Issued	10/26/2018
6	Commercial Bldg	Alteration	R18-0198CB	7/6/2018	Yes	017886	111 S BROADWAY AVE, ROCHESTER, MN 55904	\$250,000	Removal of two escalators and replace with steel stairs. (Shops at University Square)	No	BGD 5 LLC 30 3rd St SE ROCHESTER, MN 55904	Finaled	8/31/2018
7	Commercial Bldg	Alteration	R18-0242CB	7/30/2018	Yes	070415	400 SW 5 AVE, ROCHESTER, MN 55902	\$69,641	Add equipment to existing kitchen and storage to allow for warming kitchen for Day Care. Install new unisex restroom into existing storage closet. (Christ United Methodist Church)	No	CHRIST UNITED METHODIST CHURCH 400 5 AVE SW ROCHESTER, MN 55902	C of O Issued	9/20/2018
8	Commercial Bldg	Alteration	R18-0250CB	8/1/2018	Yes	017773	20 SW 3 ST, ROCHESTER, MN 55902	\$15,000	Alterations to existing space for a bar and rest rooms (Bar Buffalo)	No	Steve Lee 3325 75 St NE ROCHESTER, MN 55906	Finaled	10/9/2018
9	Commercial Bldg	Alteration	R18-0347CB	9/11/2018	Yes	005100	845 SW 2 ST, ROCHESTER, MN 55902	\$53,552	Re-roof of existing 3-story apartment building.	No	Troy Dickerson 5812 hwy 52 N Rochester, MN 55901	Finaled	10/5/2018
10	Commercial Bldg	Alteration	R18-0279CB	9/13/2018	Yes	017773	18 SW 3 ST Suite 1, ROCHESTER, MN 55902	\$76,275	Remove equipment and built-in furniture, rework entry, install plumbing and HVAC. (Bitter & Pour LLC - Merchant Exchange Building)	No	John Pacchetti 930 8 AVE SW ROCHESTER, MN 55902	C of C Issued	11/19/2018
11	Commercial Bldg	Alteration	R18-0265CB	9/19/2018	Yes	081987 081988	502 SW 2 AVE, ROCHESTER, MN 55902	\$475,000	Tenant improvement to existing shell space for relocated Kraus-Anderson Rochester (Kraus-Anderson)	No	Kraus-Anderson Construction Co 416 South Broadway Rochester, MN 55901	C of O Issued	11/9/2018
12	Demolition	Commercial	R18-0003D	3/21/2018	Yes	025280	24 SW 6 ST, ROCHESTER, MN 55902	\$10,000	Demolition and removal of building, concrete and asphalt.	No	VFW Post 1215 Aaron Hess 16 6th St SW Rochester, MN 55902	Closed	12/27/2018
13	Demolition	Commercial	R18-0004D	3/21/2018	Yes	025279	16 SW 6 ST, ROCHESTER, MN 55902	\$61,000	Demolition and removal of building, concrete and asphalt.	No	VFW Post 1215 Aaron Hess 16 6th St SW Rochester, MN 55902	Closed	12/27/2018
14	Demolition	Multi-Family	R18-0010D	5/23/2018	Yes	017983	6 NW 1 AVE, ROCHESTER, MN 55901	\$249,000	Demolition of Structure	No	MKDI LLC 625 Klenske Ave PO BOX 263 NEW HAMPTO, IA 50659	Closed	12/27/2018
15	Multi-Family Bldg	Alteration	R18-0006MFB	2/22/2018	Yes	080524	220 S BROADWAY AVE, APT# 1404, ROCHESTER, MN 55904	\$45,000	Remodel (Holiday Inn South #1404)	No	Yang, Mei 220 BROADWAY AVE S #1404 ROCHESTER, MN 55904	C of C Issued	8/27/2018
16	Multi-Family Bldg	Alteration	R18-0026MFB	5/8/2018	Yes	081810	207 SW 5 AVE, APT# 908, ROCHESTER, MN 55902	\$40,000	Remodel two baths and kitchen	No	Mabry, gale 207 5 AVE SW ROCHESTER, MN 55901	Finaled	10/5/2018
								\$3,021,468					
								\$1,290,000	Cover under partial permits				
								\$1,731,468					

2017 Building Permits (Entire Year) CLOSED BUILDING PERMITS

(Within DMC Boundary, does not include Mayo Projects)

(Completed in 2018)

	Sub Type Level	Category Level	Permit Number	Permit Issue Date	Parcel Number	Address Info	Permit Valuation	Work Description	Owner	Current Permit Status	Current Permit Status Date	Changed as of 1/24/2019
1	Commercial Bldg	Phased Partial Permit	R15-0081CB	1/6/2017	017936	10 E CENTER ST, ROCHESTER, MN 55904	\$1,000,000	CP-3 package: Footings, Foundation, Waterproofing (Broadway on Center)	Legacy Fund I, LLC 30 3 St SE ROCHESTER, MN 55904	Finaled	12/6/2018	Yes
2	Commercial Bldg	Alteration	R17-0022CB	2/22/2017	070415	400 SW 5 AVE, ROCHESTER, MN 55902	\$27,231	Alterations to add a unisex in lower level (Christ United Methodist Church)	CHRIST UNITED METHODIST CHURCH 400 5 AVE SW ROCHESTER, MN 55902	Finaled	12/17/2018	Yes
3	Commercial Bldg	Addition	R17-0254CB	8/2/2017	081056	222 SW 6 AVE, ROCHESTER, MN 55902	\$250,000	Footings and foundations for future vestibule addition (Phase 1). Site retaining walls and alterations to the existing parking lot. (Trinity Lutheran Church) The vestibule construction above grade will be part of Phase 2 which is a future project.	TRINITY EVANGELICAL LUTHERN CHURCH 222 6 AVE SW ROCHESTER, MN 55902	Finaled	12/17/2018	Yes
4	Commercial Bldg	Alteration	R17-0268CB	10/6/2017	050600	102 SE 2 ST, ROCHESTER, MN 55904	\$5,200,000	Kitchen and bathroom remodels of cabinets and sinks, unit exhaust alterations, new windows in units, corridor painting and flooring, generator replacement, new hot water boilers. (Fontaine Towers)	FONTAINE TOWERS II LP 30 3 ST SE STE 600 ROCHESTER, MN 55904	C of O Issued	10/22/2018	Yes
5	Commercial Bldg	Alteration	R17-0365CB	10/11/2017	017990	9 NW 3 AVE, ROCHESTER, MN 55901	\$250,000	Alterations to create boiler area for disconnection from the Franklin Heating Station. (Kahler Inn & Suites)	KINN 9 3RD AVENUE LLC 20 2 AVE SW ROCHESTER, MN 55902	C of C Issued	9/21/2018	Yes
6	Commercial Bldg	Phased Partial Permit	R17-0384CB	12/11/2017	050075 083795	202 SW 4 ST, ROCHESTER, MN 55902	\$1,750,000	Phased partial permit for underground civil/MEP utilities, deep foundations (caissons) and basement construction. (Discovery Square Phase 1)	Mortenson Properties, Inc. 700 Meadow Lane N Minneapolis, MN 55422	Finaled	11/13/2018	Yes
7	Demolition	Residential	R17-0039D	10/23/2017	017718	519 SW 3 AVE, ROCHESTER, MN 55902	\$64,000	demo of house	RESIDENCE AT DISCOVERY SQUARE LLC 3686 CHAPPUIS TRL FARIBAULT, MN 55021	Closed	12/27/2018	Yes
8	Demolition	Residential	R17-0042D	10/23/2017	017726	304 SW 5 ST, ROCHESTER, MN 55902	\$18,000	demo of house	RESIDENCE AT DISCOVERY SQUARE LLC 3686 CHAPPUIS TRL FARIBAULT, MN 55021	Closed	12/27/2018	Yes
9	Demolition	Residential	R17-0044D	10/23/2017	017723	509 SW 3 AVE, ROCHESTER, MN 55902	\$68,000	demo of house	RESIDENCE AT DISCOVERY SQUARE LLC 3686 CHAPPUIS TRL FARIBAULT, MN 55021	Closed	12/27/2018	Yes
10	Demolition	Commercial	R17-0013D	12/1/2017	054926	401 S BROADWAY AVE, ROCHESTER, MN 55904	\$93,000	Demolition of Labor Club and commercial building for 401-413 South Broadway Avenue	Daly, Janice 620 9 AVE SW ROCHESTER, MN 55902	Closed	12/18/2018	Yes
11	Residential Bldg	Alteration	R17-1166RB	7/25/2017	009172	424 SW 7 ST, ROCHESTER, MN 55902	\$30,000	Kitchen and bathroom remodels, replacement windows, alterations on all 3 levels and basement.	UP Development--Henderson, Ross 1624 Echo Ridge Rd Sw ROCHESTER, MN 55902	Finaled	4/10/2018	Yes
12	Commercial Bldg	Alteration	R17-0364CB	9/20/2017	057422	20 SE 4 ST, ROCHESTER, MN 55904	\$10,000	Interior alteration of the lower level. (Porch and Cellar)	PORCH AND CELLAR LLC 20 4 ST SE ROCHESTER, MN 55904	C of O Issued	1/12/2018	Yes
13	Commercial Bldg	Alteration	R17-0318CB	10/16/2017	014310	313 S BROADWAY AVE, ROCHESTER, MN 55904	\$70,000	Interior alterations to create a new ice cream and candy shop. (The Chocolate Twist - Boys & Girls Club / Paine Building)	Boys and Girls Club - Jodi Millerbernd 1026 East Center Street ROCHESTER, MN 55904	C of C Issued	1/5/2018	Yes
14	Commercial Bldg	Alteration	R17-0328CB	11/30/2017	017887	100 SW 1 AVE, ROCHESTER, MN 55902	\$83,000	Remodel of space of new restaurant. (ZY Teriyaki Restaurant - 100 1st Avenue Building - Subway level)	Yang Kathy & Tom 107 Peregrine Dr SE ROCHESTER, MN 55904	C of C Issued	1/18/2018	Yes

\$8,915,666

\$2,750,000 - covered under partial permits

\$6,165,666

2016 Building Permits (Entire Year)
CLOSED BUILDING PERMITS
(Within DMC Boundary, does not include Mayo Clinic Projects)(Completed in 2018)

	Sub Type Level	Category Level	Permit Number	Permit Issue Date	Parcel Number	Address Info	Permit Valuation	Work Description	Owner	Current Permit Status	Current Permit Status	Changed (as of 1/24/2019)
1	Commercial Bldg	Alteration	R16-0197CB	5/31/2016	018454	300 NW 1 AVE, ROCHESTER, MN 55901	\$20,000	Replace accessible entrance on north end of building (Broadstreet Café)	DM41 BROADSTREET LLC 216 1 AVE SW ROCHESTER, MN 55902	Finaled	5/9/2018	Yes
2	Commercial Bldg	Addition	R16-0220CB	10/24/2016	081707	20 SW 2 AVE, ROCHESTER, MN 55902	\$5,000,000	Mezzanine addition for chiller & boiler serving Kahler Grand & Marriott Hotel (Kahler Grand Hotel)	KAH 20 2ND AVENUE LLC 20 2 AVE SW ROCHESTER, MN 55902	Finaled	3/27/2018	Yes
3	Multi-Family Bldg	Phased Partial Permit	R15-0107MFB	4/22/2016	082439	412 SE 3 AVE, ROCHESTER, MN 55904	\$2,400,000	Partial phase footing and foundation with precast concrete (The Buckeye) 3 Ave & 4 St SE	Nathan Stencil PO Box 89624 Sioux Falls, SD 57109	Finaled	12/6/2018	Yes
4	Multi-Family Bldg	New	R16-0009MFB	9/20/2016	082439	412 SE 3 AVE, ROCHESTER, MN 55904	\$10,682,292	New 126,925 sq ft 6 story, 92 unit apartment building with underground parking, business tenants on main level (The Buckeye) 3 Ave & 4 St SE	Nathan Stencil PO Box 89624 Sioux Falls, SD 57109	C of O Issued	2/12/2018	Yes

\$18,102,292
\$13,082,292 - Cover under partial permits
\$5,020,000

2015 Building Permits (Entire Year)

CLOSED BUILDING PERMITS

(Within DMC Boundary, does not include Mayo Projects)

(Closed in 2018)

	Sub Type Level	Category Level	Permit Number	Permit Issue Date	Parcel Number	Address Info	Permit Valuation	Work Description	Owner	Current Permit Status	Current Permit Status Date	Changed (as of 1/31/2018)
1	Demolition	Commercial	R14-0043D	1/30/2015	017700	116 SW 5 ST, ROCHESTER, MN 55902	\$33,970	Demo-ing the old University Village Inn	UNIVERSITY VILLAGE INN 625 LENSKE AVE PO BOX 263 NEW HAMPTON, IA 50659	Closed	12/13/2018	Yes
2	Demolition	Residential	R15-0003D	2/26/2015	012764	607 SW 2 ST, ROCHESTER, MN 55902	\$12,000	Demolish building; R645 1-family dwelling	BROOKS EDWARDS 811 FOX POINTE LN SW ROCHESTER, MN 55902	Closed	12/13/2018	Yes
3	Sign	Business	R15-0129S	9/21/2015	052802	500 SW 1 AVE, ROCHESTER, MN 55902	\$17,331	Freestanding sign "Southern MN Municipal Power Agency"	SO MN MUNICIPAL POWER AGENCY 500 1 AVE SW ROCHESTER, MN 55902	Closed	12/6/2018	Yes
4	Multi-Family Bldg	New	R15-0058MFB	10/19/2015	017699	501 SW 1 AVE, ROCHESTER, MN 55902	\$11,442,058	New 130,000 sq ft, 5 - story, 84 unit apartment with underground parking, main level future tenant spaces (501 on 1st Apartments)	MK DOWNTOWN LLC PO BOX 263 NEW HAMPTON, IA 50659	C of O Issued	1/29/2018	Yes

\$11,505,359

\$11,422,058 Cover under partial permits

\$83,301

2014 Building Permits (Entire Year)

CLOSED BUILDING PERMITS

(Within DMC Boundary, does not include Mayo Projects)

(Completed in 2018)

	Sub Type Level	Category Level	Permit Number	Permit Issue Date	Parcel Number	Address Info	Permit Valuation	Work Description	Owner	Current Permit Status	Current Permit Status Date	Changed (as of 1/24/2019)
1	Demolition	Commercial	R14-0001D	3/24/2014	017935	6 S BROADWAY, ROCHESTER, MN 55904	\$16,666	Demolition of this building incorporates two addresses (6 and 8 South Broadway)	BROADWAY COMMONS ROCHESTER LLC 7381 AIRPORT VIEW DR SW ROCHESTER, MN 55902	Closed	12/6/2018	Yes
2	Demolition	Commercial	R14-0002D	3/24/2014	017937	10 S BROADWAY, ROCHESTER, MN 55904	\$16,666	Demolition of this building (10 South Broadway)	ATTN JAKOBSON MANAGEMENT CO 10 BROADWAY SOUTH ROCHESTER, MN 55904	Closed	12/6/2018	Yes
2	Demolition	Commercial	R14-0003D	3/24/2014	017936	12 S BROADWAY, ROCHESTER, MN 55904	\$16,666	Demolition of this building (12 South Broadway)	AMP PROPERTIES LLC 6617 DAKOTA TRAIL	Closed	12/11/2018	Yes
4	Demolition	Commercial	R14-0007D	4/10/2014	025324	615 SW 1 AVE, ROCHESTER, MN 55902	\$24,500	Demolition of building 615	OCONNOR RECREATION COMPANY LLC 600 4 ST SW ROCHESTER, MN 55902	Closed	12/11/2018	Yes
5	Demolition	Residential	R14-0024D	10/16/2014	017724	507 SW 3 AVE, ROCHESTER, MN 55902	\$20,000	Demolition	MEYER,TIMOTHY D 2002 Hwy 14 ROCHESTER, MN 55904	Closed	12/11/2018	Yes

\$94,498

2013 Building Permits (3rd and 4th Quarter - July 1st to December 31st)

CLOSED BUILDING PERMITS

(Within DMC Boundary, does not include Mayo Projects) (Completed in 2018)

	Sub Type Level	Category Level	Permit Number	Permit Issue Date	Parcel Number	Address Info	Permit Valuation	Project Description	Owner	Current Permit Status	Current Permit Status Date	Changed (as of 1/24/2019)
1	Commercial Bldg	Alteration	R13-0199CB	7/1/2013	018049	101 N BROADWAY, ROCHESTER, MN 55906	\$31,425	Reroof 4600 sq ft flat roof (International African Mall)	M&S OF ROCHESTER LLC 707 6 AVE NW ROCHESTER, MN 55901	Finaled	12/13/2018	Yes
2	Commercial Bldg	Alteration	R13-0223CB	8/1/2013	077284	705 SW 2 ST, ROCHESTER, MN 55902	\$63,000	Convert 3-season porch to family room (Gift of Life Transplant House)	Mayo Clinic 200 1 ST SW ROCHESTER, MN 55905	Finaled	11/20/2018	Yes

\$94,425

MEMO

To: Jim Bier, DMC Corporation Treasurer

From Dale Martinson, DMC Corporation Assistant Treasurer

Date: 3/13/2019

RE: Request for 2018 Budget Encumbrance

The DMC EDA, from time to time, uses consultants to complete the work designated in the DMC plan. This work varies in scope and complexity and due to the detailed nature of some of this work it may take several months to complete once we have a signed contract.

Two projects were planned, budgeted, and scheduled as part of the 2018 work plan and were to be paid out of the Master Application for Payment (MAP) process. These projects are the Rochester Visitor and Experience application software (APP) and the schematic design associated with Transportation Development by the Minnesota Design Center. The APP is a joint venture between Experience Rochester and The DMC with its goal to provide residents and visitors a method of navigating their way through the DMC District and the city of Rochester. The schematic design associated with Transportation Development is part of the larger Transit Circulator planned for the downtown Rochester area. This deliverable will be used as a basis for discussion as the final planning proceeds.

For the APP we have an agreement in principal and are finalizing the contract and no funding has been contributed to date. For the Transportation Development schematic design we executed an agreement in 2018 for this work and have begun processing the invoices as the work progresses.

The amount of encumbrance for each of these projects is

- \$100,000 for the development of the APP
- \$31,426 for the schematic design associated with Transportation Development

Work on both 2018 projects continues and will be complete in 2019. The combined outstanding balance is \$131,426 (see table below).

The DMC EDA, with agreement from the City, is requesting the DMC Corporation Board allow the total funding for these projects of \$131,426 be carried forward to the 2019 budget as this represents funding scheduled and agreed to in 2018 but not yet completed.

	Original 2018 Budget	Actual 2018 Budget Expenditures Through December 2018	2018 Budget Surplus as of 12/31/2018	Projects Approved and Under Contract in 2018 not completed
Master Application for Payment		\$ 1,382,086		
Tranche Advance Requests		<u>815,971</u>		
Total	\$ 2,496,406	<u>\$ 2,198,057</u>	<u>\$ 298,349</u>	\$ 131,426
REQUEST				
2019 Approved Budget	\$ 2,571,406			
Encumbrance of Contracts Not Complete	<u>131,426</u>			
Ammended 2019 Budget w/ Carryforward	<u>\$ 2,702,832</u>			