



DMC  
Destination  
Medical Center

# DMCC Board Meeting

August 27, 2020



DMC  
Destination  
Medical Center

# Chair's Report

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# Consent Agenda

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# Public Hearing

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# Public Hearing

Please

- Keep comments to 2 min
- State your name

# Destination Medical Center Corporation

August 27, 2020

WEALTH ADVISORY | OUTSOURCING | AUDIT, TAX, AND CONSULTING

Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor



Create Opportunities

# IRS Form 990

- Financial information reconciles to DMCC's audited financial statements
- Part III (page 2) – statement of DMCC's organizational purpose
- Part VI (page 6) – governance
- Part VII (page 7) – board members

# IRS Form 990

- Schedule B (page 22) – contributors
- Schedule R (page 31) – related organizations
- No unrelated business income for 2019
- Filing deadline is November 16, 2020





# Charitable Organization Annual Report

- Filed with Minnesota Attorney General's Office Charities Division
- No changes in tax-exempt status (page 1)
- No changes in organizational purpose or programs (page 1)
- No changes in ability to solicit contributions (page 2)
- No compensation paid in excess of \$100,000 (page 2)
- Filing deadline November 16, 2020



# Minnesota Non-profit Corporation Annual Registration

- Filed online with Minnesota Secretary of State
- In good standing through December 31, 2020
- Annual renewal to be filed (online) for 2021



# **Thank you for engaging us to serve you!**

## **Contact Information:**

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**Katherine Lutzke, Senior**

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# FORWARD

## CREATING ROCHESTER'S FUTURE





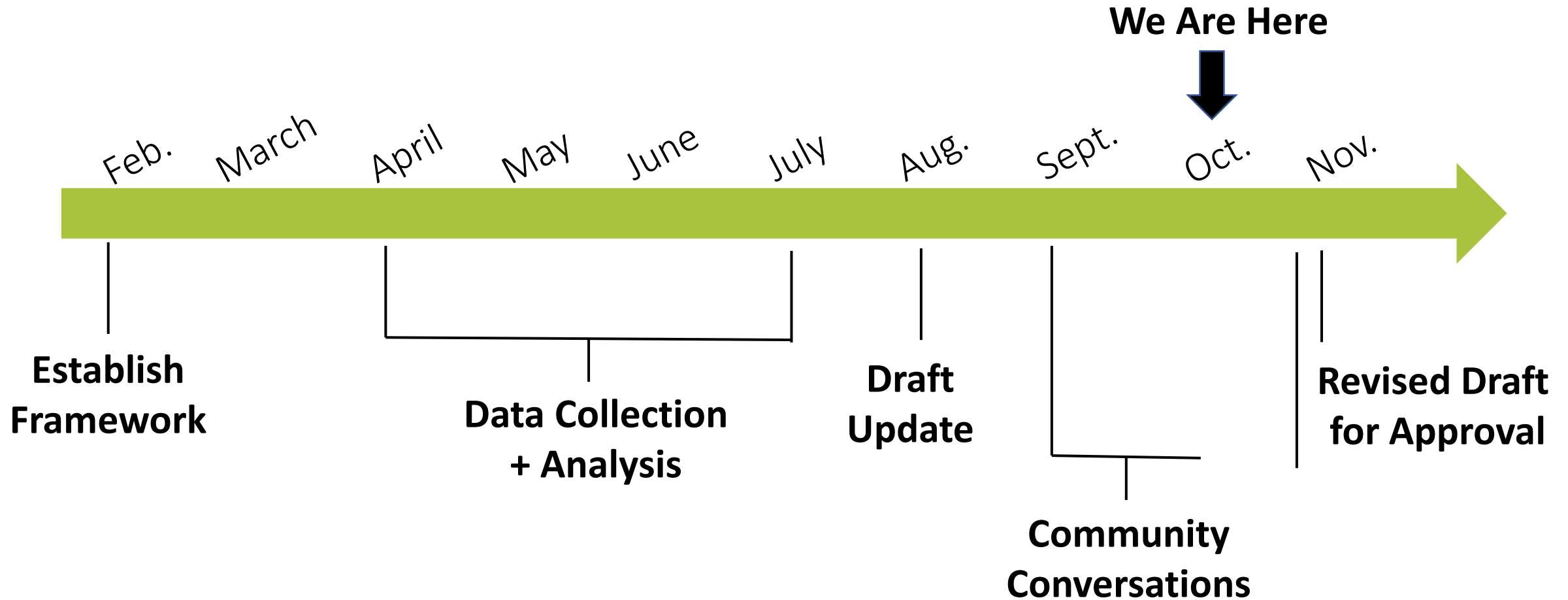


## **Guidance** from DMCC, City Council and Community Leaders:

- + Don't reinvent the wheel
- + Build off 2015 DMC Development plan + subsequent plans
- + Synthesize plans into digestible implementation schedule
- + Reset expectations based on COVID-19 impact
- + Establish a framework for future decisions



# Timeline for **5-year Update**





# 5-year Update to the 20-year Plan

## **Top Line Outputs:**

- I. Report on Phase 1 (2015-2019)
- II. COVID-19 Impact Scenarios
- III. Setting Phase 2 (2020-2024) Targets
- IV. Policy Framework for Future Use of DMC Funds



# Report on Phase 1

## **20-year DMC Goals**

1. Strategic Plan
2. Investments
3. Jobs
4. Tax Revenue
5. Experience





# Goal 1. Create a Comprehensive Strategic Plan

Guiding Document for DMC 20-year vision



## 2020 DMC Development Plan Update

**Regional + City  
Strategies**



**Area Plans**



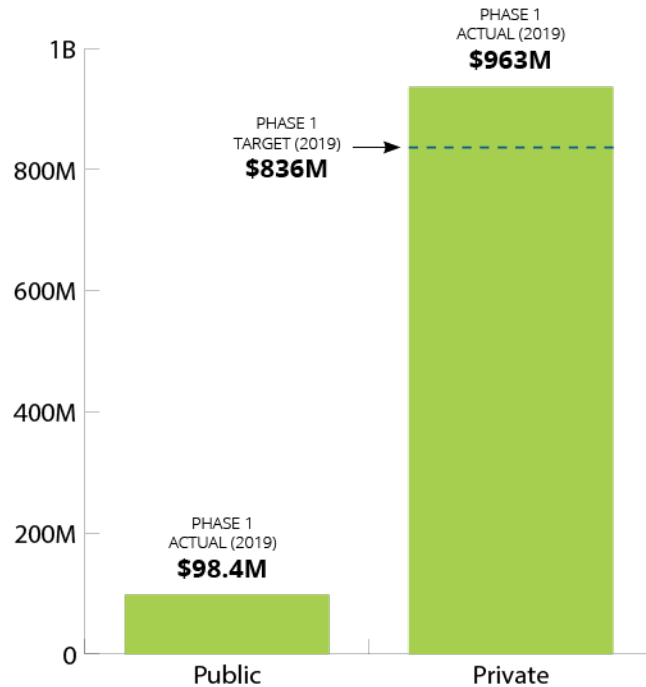
**Updated  
Market  
Studies**



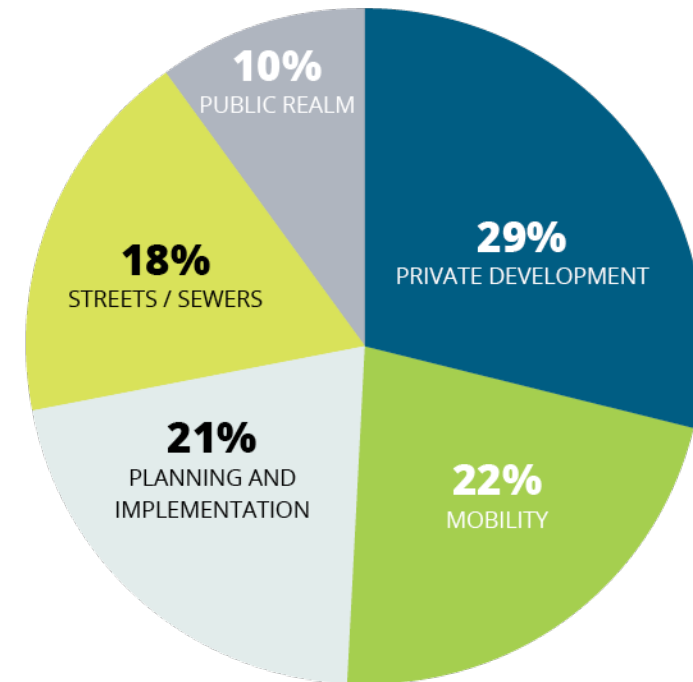


## Goal 2. Leverage the Public Investment to Secure \$5.6B in Private Investment

### Total Investment Committed in Phase 1



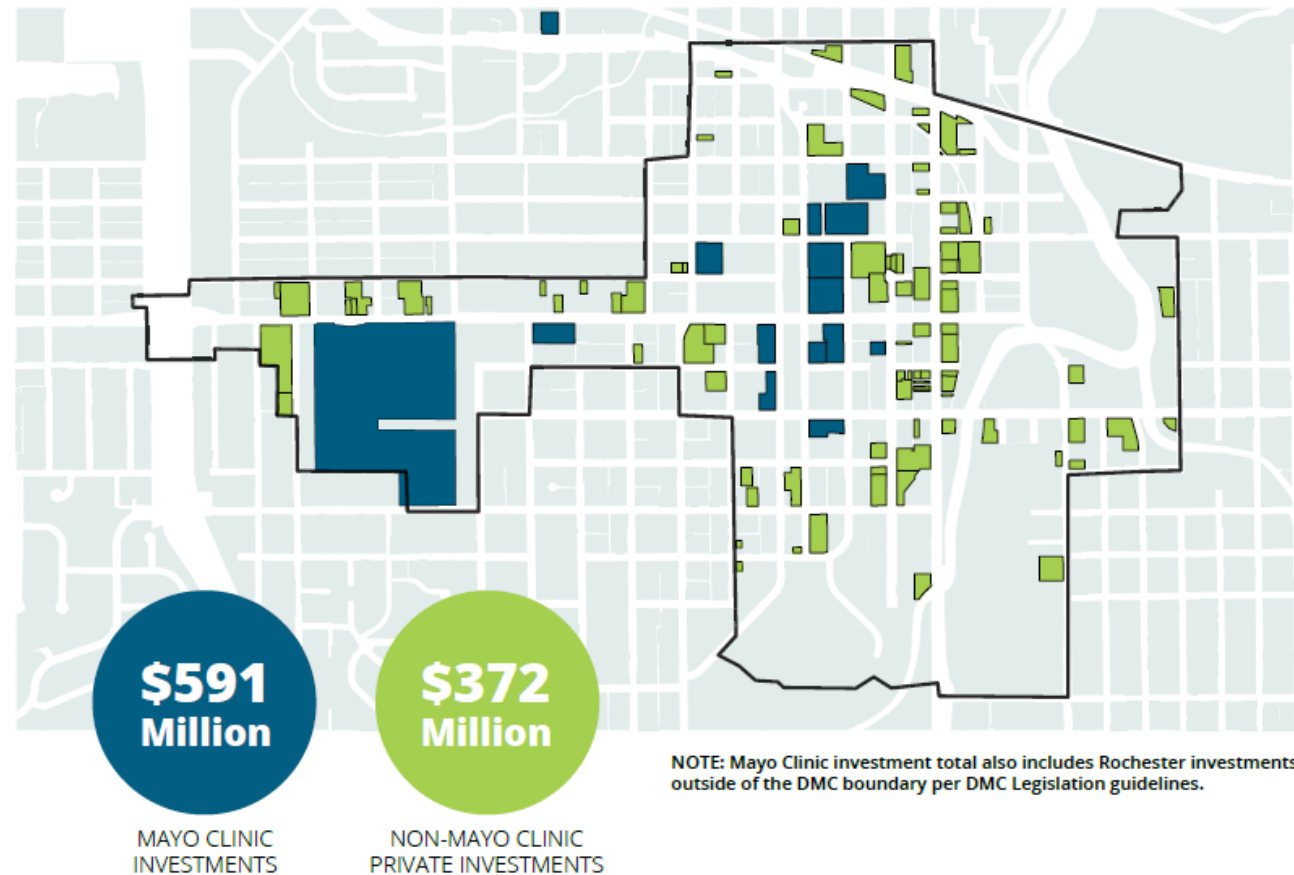
### Uses: Public Money in 2015-2019 was committed to these 5 areas





## Goal 2. Leverage the Public Investment to Secure \$5.6B in Private Investment

Where did the **private investment** happen?



Hilton Development



Flats on Fourth Development

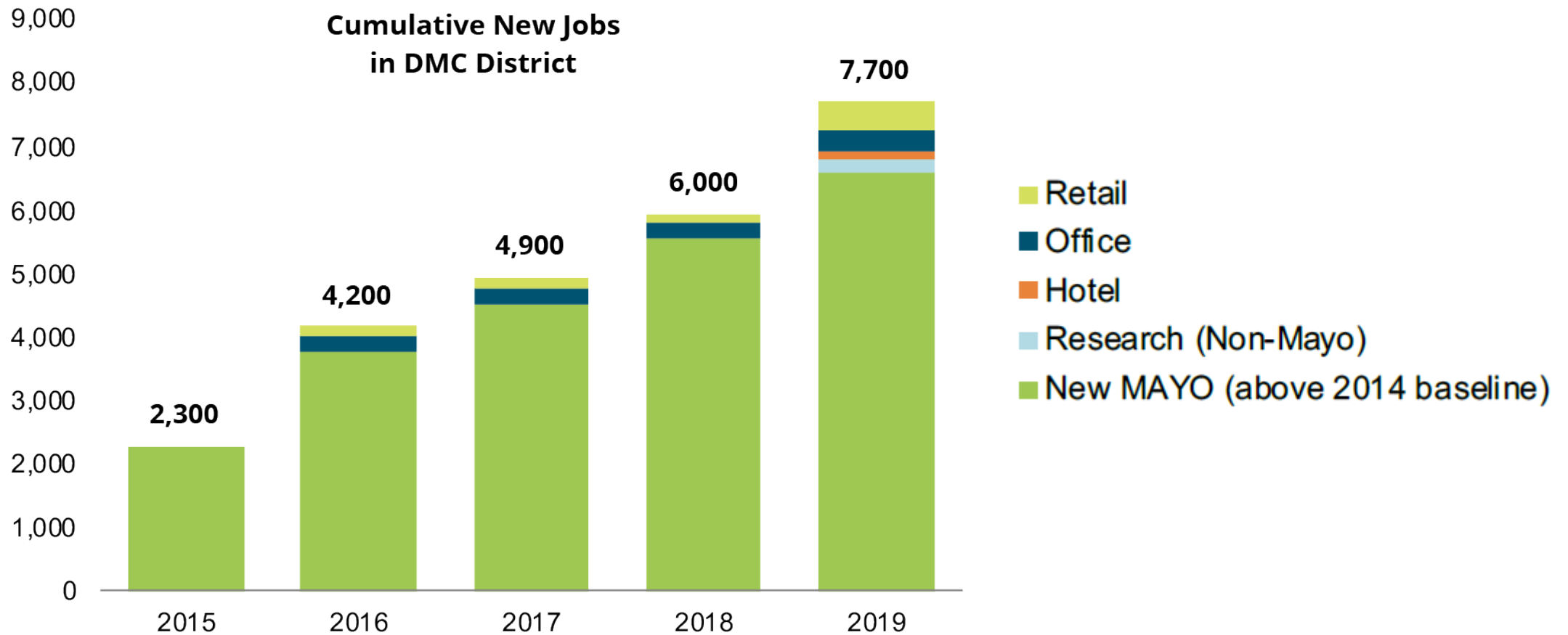


Hotel Indigo Redevelopment





## Goal 3. Create 30,000 New Jobs





## Goal 3. Create 30,000 New Jobs

Job Sector	Total Jobs Added (2015-2019)	Avg Weekly Wage	Total Annual Wage (2019)	2018 Rochester Area Median Income (AMI)	Wage Comparison to AMI
Education and Health Services	5,432 (71%)	\$1,548	\$80,496	\$74,880	108%
Leisure and Hospitality	1,333 (18%)	\$423	\$21,996	\$74,880	29%
Construction	861 (11%)	\$1,241	\$64,532*	\$74,880	86%

\*The average based hourly pay rate for construction workers on DMC construction projects was \$39.11/hour plus fringe benefits. This is an average annual salary of \$80,000 a year, plus benefits. (April 2017 - June 2019)





## Goal 4. Generate Up to \$8B in New Net Tax Revenue by 2050

Estimated Tax Revenues, Phase 1

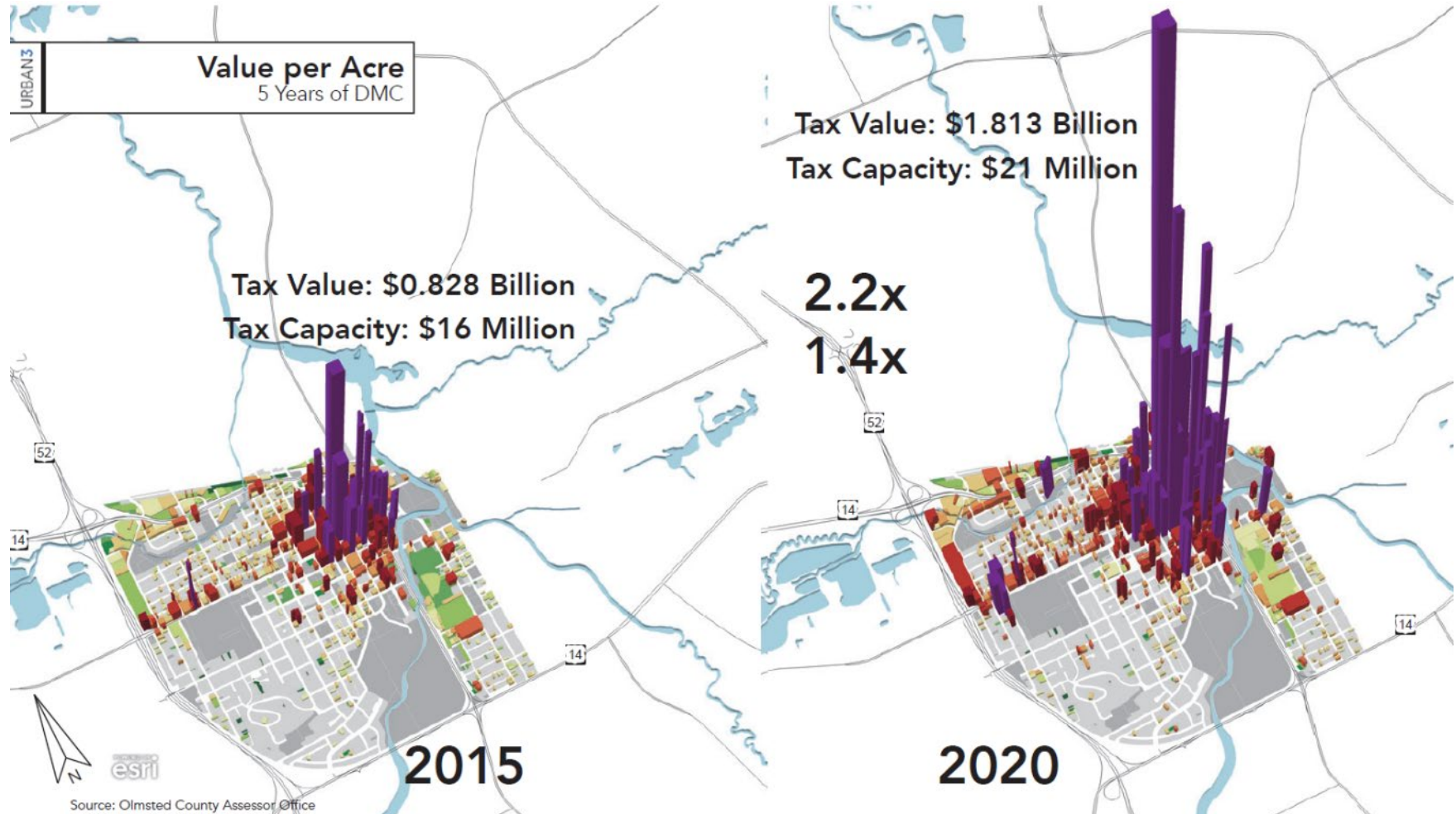
	Phase 1					TOTAL PHASE 1
	2015	2016	2017	2018	2019	
<b>City</b>						
Taxes from Construction	\$36,000	\$61,000	\$47,000	\$108,000	\$122,000	\$374,000
Taxes from Operations	\$150,000	\$317,000	\$380,000	\$461,000	\$1,684,000	\$2,992,000
Property Tax Capacity	still in progress					
<b>County</b>						
Taxes from Construction	\$17,000	\$19,000	\$22,000	\$68,000	\$78,000	\$204,000
Taxes from Operations	\$47,000	\$98,000	\$176,000	\$284,000	\$458,000	\$1,063,000
Property Tax Capacity	still in progress					
<b>State</b>						
Taxes from Construction	\$5,231,000	\$5,078,000	\$4,514,000	\$9,145,000	\$9,591,000	\$33,559,000
Taxes from Operations	\$10,785,000	\$20,153,000	\$24,233,000	\$29,638,000	\$39,210,000	\$124,019,000
Property Tax Capacity	still in progress					

Notes:

1. Estimated taxes from Construction impacts are from DMC DEED-certified investment.
2. Estimated taxes from Construction and Operations impacts include tax revenues from Corporate income, personal income, sales tax, hotel tax.
3. Property tax capacity calculations are still underway due to a change in methodology. The final draft will include these figures.



## Goal 4. Generate Up to \$8B in New Net Tax Revenue by 2050





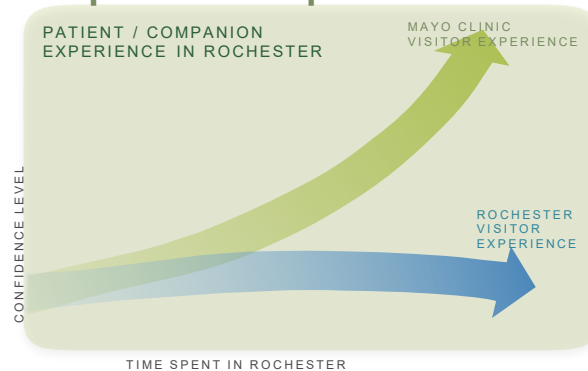


# Goal 5. Achieve the Highest Quality Resident, Patient, and Visitor Experience

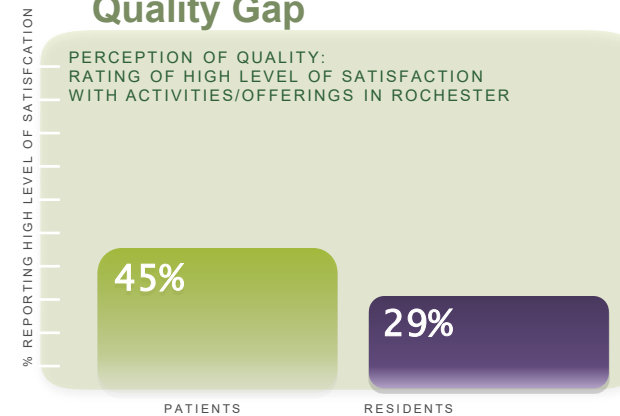
## OUR KEY RESEARCH FINDINGS

Our research identified meaningful gaps in the market that lead to dissatisfaction of patients, visitors and residents.

### Experience Gap



### Quality Gap



### Opportunity Gap

**\$68,000**

Avg. HH Income  
(26% Above Natl. Avg.)

**-\$5,000**

Per HH In Retail  
& Dining Spending to  
Comparable Cities  
(Indicates Leakage)

**4-5**

Hours of Visitor  
Free-Time Per Day  
When Patients &  
Companions  
Could Be Engaged  
Differently

**15 M**

People  
Within  
½ Day Drive

**34%**

Of Visitors  
Would Return for  
Events/Activities  
of Interest

**7 M**

Est. Incremental  
Visitation  
Potential  
(Target)



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# Looking Forward

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# COVID-19 Impact Analysis

HR&A Advisors, Inc.

## GOALS OF STUDY

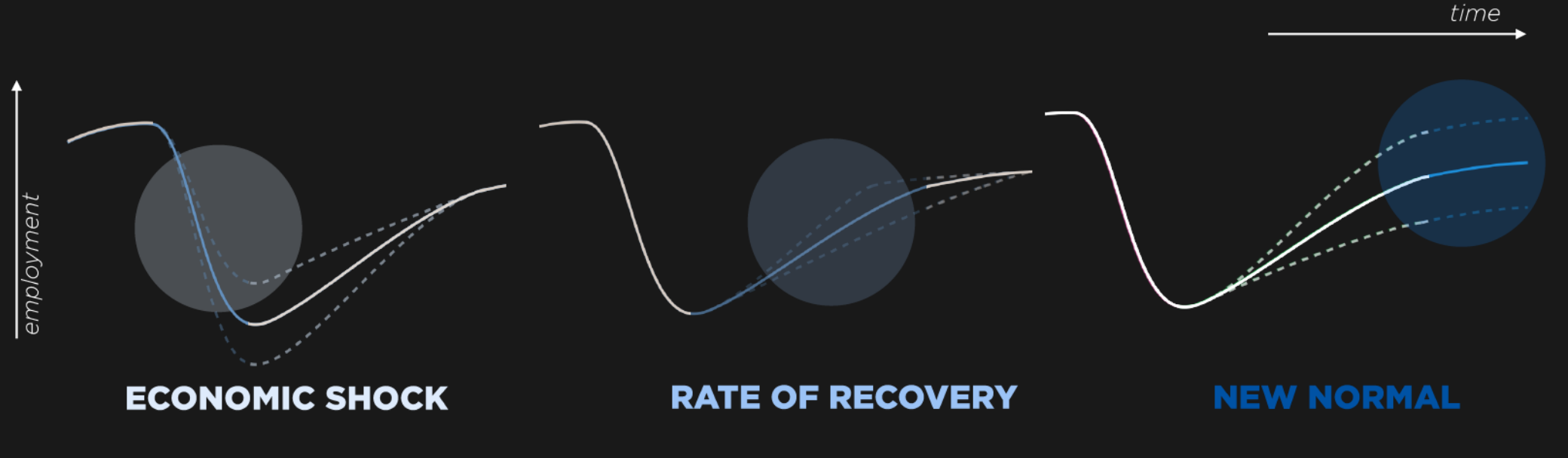
HR&A was engaged by the Destination Medical Center Economic Development Agency:

- Analyze the impact COVID-19 will have on the Rochester economy to best guide the DMC's **near- and long-term planning and investment decisions.**
- Develop dynamic scenarios that measure the economic impact of COVID-19 on the local economy and the DMC's development plans
- Understand the specific industries that have been disproportionately affected by the COVID-19 crisis



# COVID-19 Impact Analysis

Like other disaster recoveries, the economic recovery from COVID will take place over three stages.



*How deep is the initial impact of business shutdowns and reductions in consumer demand?*

*When will businesses reopen?*

*What share of pre-COVID jobs will recover, and be located in Downtown Rochester at stabilization?*

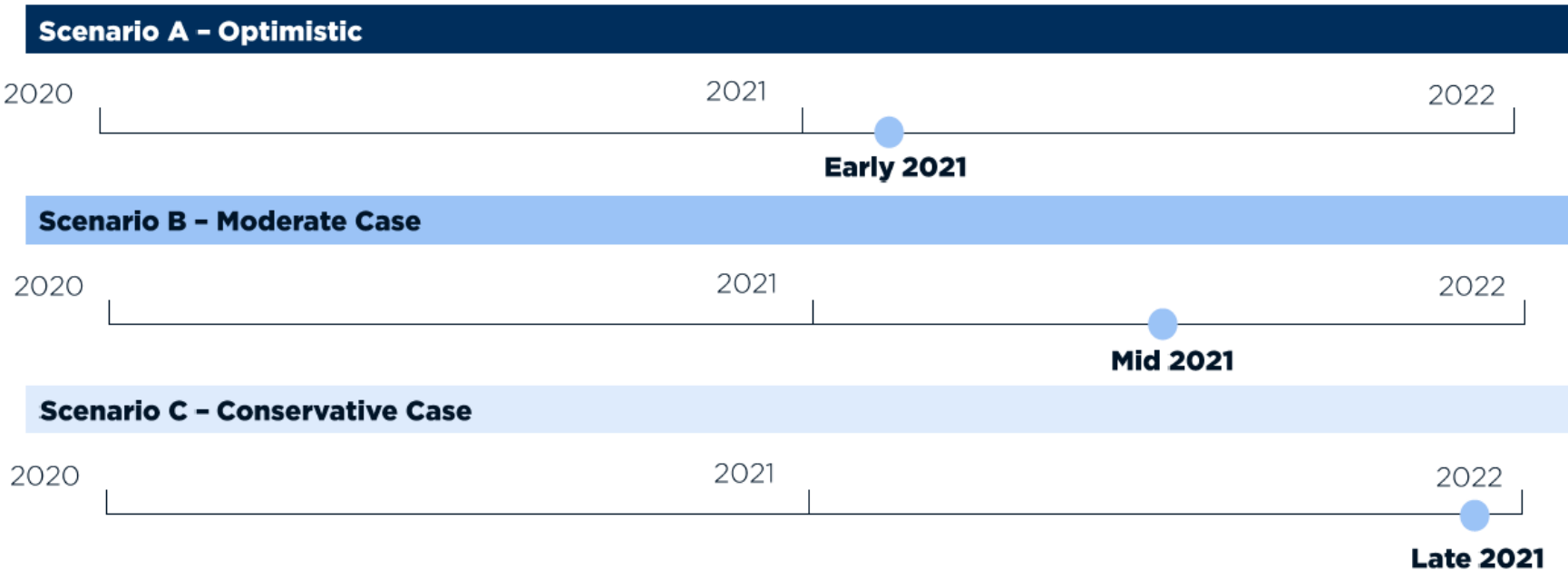


# COVID-19 Impact Analysis: Methodology

## Scenario Development

For our model, these public health milestones act as inflection points, in which the trajectory of industry specific recovery begins to start moving into to their “new normal.”

### Transformative public health milestones:





# COVID-19 Impact Analysis: Methodology

## METHODOLOGY

### OUTPUTS

Given the inputs and variable scenarios, the outputs will allow us to extrapolate the impacts of COVID into findings contextualized for the DMC.





# Rochester **COVID-19 Impact**

## **Next Steps:**

- + Define scenarios and economic inputs
- + Run model and translate model outputs into metrics that support DMC planning efforts
- + Translate model outputs into contextualized DMC findings



# Phase 2 Targets (2020-2024)

Program Comparisons: Mayo Clinic Investments + DMC Major Projects		Phase 2 Projections Original Plan	Already in construction in 2020	COVID-19 Projected Impact	New Projections for Phase 2	20-Year (2035 Plan Remaining)
Property Type	UNIT			Scenario planning currently in progress		
Practice (Mayo Clinic)	SF	1,700,000				4,419,000
Research (Mayo Clinic + Non-Mayo Clinic)	SF	180,000				523,000
Education (Mayo Clinic + Non-Mayo Clinic)	SF	210,000				350,000
Hotel	Rooms	240	605			515
Office	SF	50,000				230,000
Retail	SF	110,000				238,000
Residential	Units	750	505			1,885





## **Policy Framework** for Use of DMC Funds in Phase 2

- + Guided by State Law
- + Limited to funds available per formula
- + (\$200-\$225million)
- + Reflects DMCC and City Priorities and Values



# Policy Statements

- + **Transformative Private Development:** Focus on developments that diversifies or supports diversification of economy (eg, Discovery Square, Food economy, Main street retail, Housing Affordability);
- + **Mobility Program:** Accelerate transportation program consistent with adopted Integrated Transit Studies;
- + **Public realm:** Extraordinary public space at the heart of every subdistrict (walkable, connected, green space, people oriented, accessible, connective tissue).



# Collaboration Model





## Phase 2 Proposed Targets

Derived from previous plans and approvals from city and county

	Phase 1 Actual 2015-2019	Phase 2 Proposed 2020-2024
Mobility	\$21.5M (22%)	\$60-75 million (30-37.5%)
Public Realm	\$9.8M (10%)	\$50-60 million (25-30%)
Streets / Sewers	\$17.3M (18%)	\$20-40 million (10-20%)
Private Development	\$28.9M (29%)	\$20-45 (10-22.5%)
Operations	\$20.7M (21%)	\$15-20 million (7.5-10%)
<b>Total</b>	<b>\$98.5M</b>	<b>\$200 million +/-</b>



# Next Steps





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# 2021 DMC Corporation Funding Request

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## Funding Request Components

- Capital Improvement Program (DMC CIP)
- DMC EDA + City Staff Workplan and Budget
- DMCC Operating Budget
- Working Capital Loan



## Process

- June/July: DMC EDA + City Staff
- August: Board Volunteer Advice and Board Consideration
- September: Rochester City Council Consideration





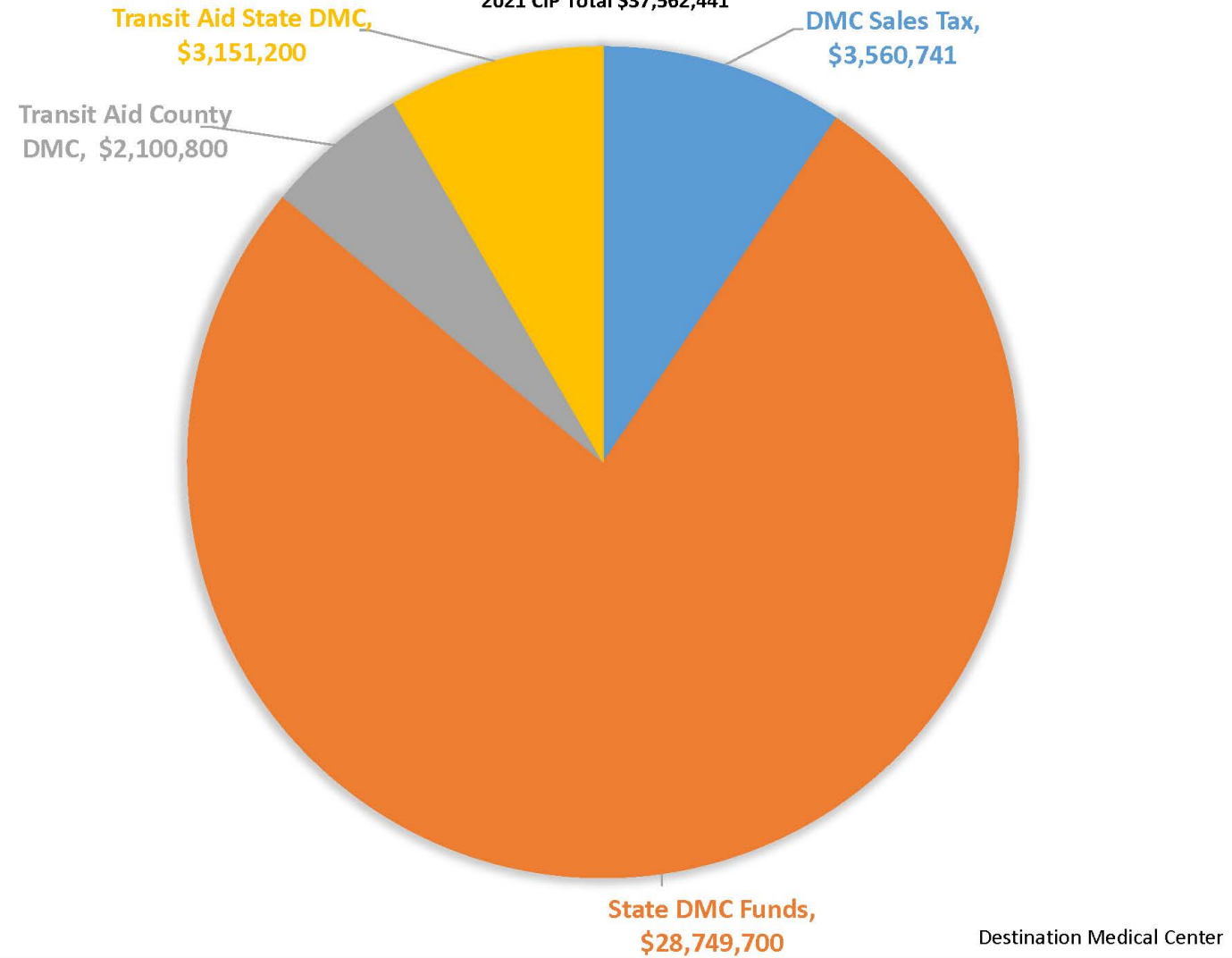
# DMC CIP Principles

- Pursue projects consistent with DMC Development Plan and current priorities
- Finish projects already approved and underway
- Use “pay-as-you-go” public finance model as a primary financing tool, but consider bonding or loans when appropriate
- Focus on time-sensitive, shovel-ready projects
- Be responsive to community priorities and market demand
- Leverage other sources of funding
- Achieve balance between public realm, public infrastructure, and transportation

## 2021 CAPITAL IMPROVEMENT PLAN

Sources of DMC Funds (\$585 Million)

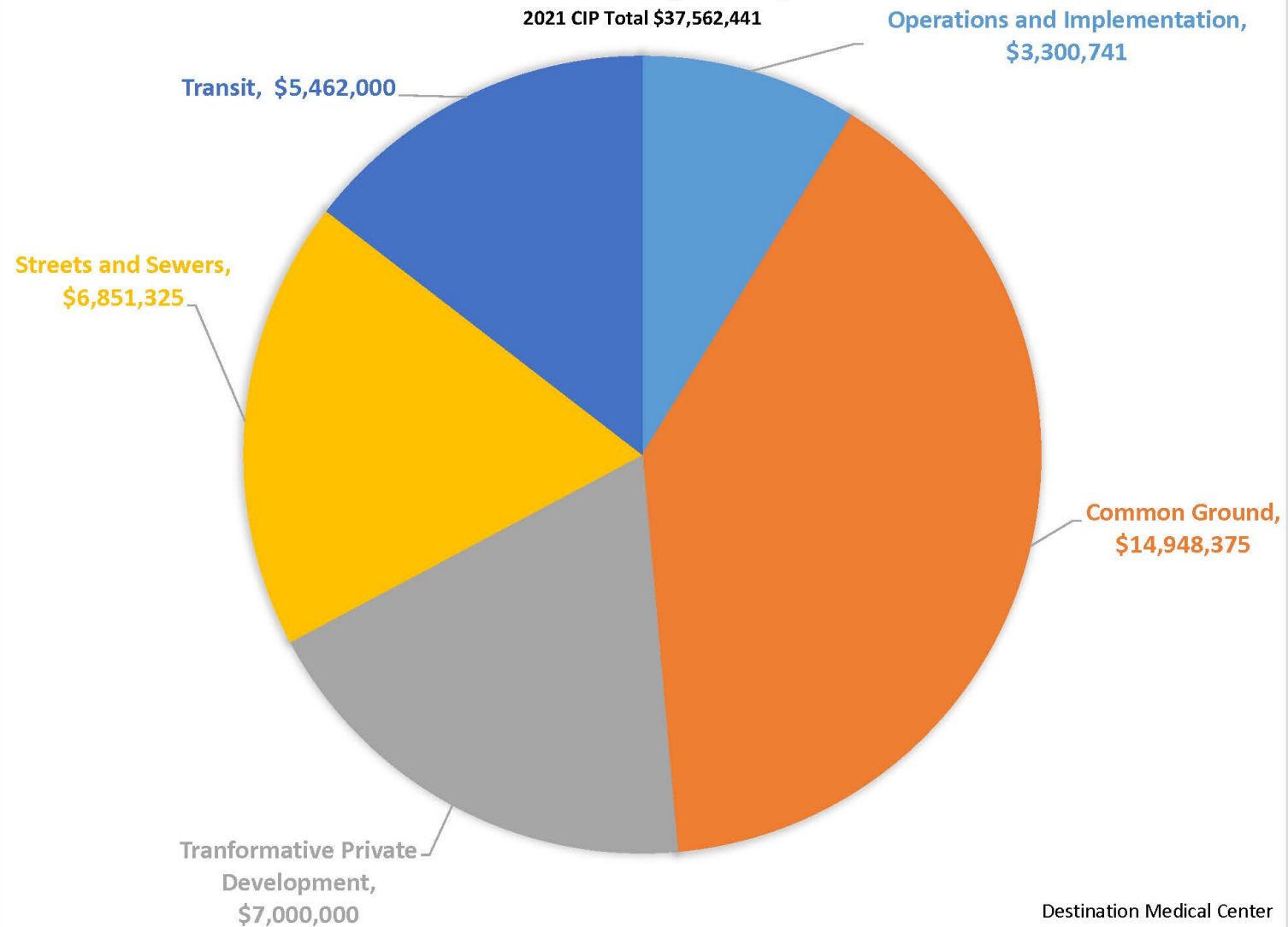
2021 CIP Total \$37,562,441



## 2021 CAPITAL IMPROVEMENT PLAN

Uses of DMC Funds (\$585 Million)

2021 CIP Total \$37,562,441



Destination Medical Center

Operations and Implementation										
#	Project Description	Proj #	2021	2022	2023	2024	2025	2026	2021 DMC Source	2021 Additional Non-DMC Funding Sources
1	DMCC	8602	\$268,750	\$276,813	\$285,117	\$293,670	\$302,480	\$311,555	DMC Sales Tax	
2	DMC EDA	8602	\$2,235,776	\$2,302,849	\$2,371,935	\$2,443,093	\$2,516,386	\$2,591,877	DMC Sales Tax	Grants and Mayo Clinic
3	City Project Management expenses	8614	\$696,215	\$713,620	\$731,461	\$749,747	\$768,491	\$787,703	DMC Sales Tax	
4	City of Rochester Administrative costs for DMC projects	8601	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	DMC Sales Tax	
5	Development Plan Update						\$500,000			
Operations and Implementation SUBTOTAL			\$3,300,741	\$3,393,282	\$3,488,513	\$3,586,510	\$4,187,357	\$3,791,135		

Common Ground										
#	Project Description	Proj #	2021	2022	2023	2024	2025	2026	2021 DMC Source	2021 Additional Non-DMC Funding Sources
6	Heart of the City	8625	\$6,000,000						State DMC Funds	
7	Discovery Walk Design and Implementation		\$7,000,000	\$7,000,000					State DMC Funds	
8	Chateau Theatre Improvements	8624	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	DMC Sales Tax	
11	Downtown Sidewalk Experience Enhancement		\$848,375						State DMC Funds	City
12	River Front Reimagined	New	\$1,000,000	\$5,000,000					State DMC Funds	
13	Smart Cities Consultation			\$100,000						
14	St Marys Place Public Realm Implementation			\$300,000	\$3,000,000					
Common Ground SUBTOTAL			\$14,948,375	\$12,500,000	\$3,100,000	\$100,000	\$100,000	\$100,000		

Transformative Private Development										
#	Project Description	Proj #	2021	2022	2023	2024	2025	2026	2021 DMC Source	2021 Additional Non-DMC Funding Sources
10	Strategic Redevelopment		\$7,000,000						State DMC Funds	
Transformative Private Development SUBTOTAL			\$7,000,000							

Streets and Sewers										
#	Project Description	Proj #	2021	2022	2023	2024	2025	2026	2021 DMC Source	2021 Additional Non-DMC Funding Sources
15	Construct 6th Street Bridge - Study, Design & Construction	New	\$1,300,000						State DMC Funds	
16	Reconstruct North Broadway Ave from Civic Center Drive to Zumbro River Bridge	7326	\$3,101,325						State DMC Funds	City
17	12th & 13th Ave Sanitary and Storm Sewer Capacity Improvements from 2nd St SW to 2nd St NW	8611	\$2,250,000						State DMC Funds	City
18	Downtown District Energy System	New	\$200,000	\$1,800,000					State DMC Funds	
19	Construct sanitary sewer capacity bypass on 3rd Ave SW from 2nd St SW to 4th St SW	8626			\$50,000	\$1,500,000				
Streets and Sewers SUBTOTAL			\$6,851,325	\$1,800,000	\$50,000	\$1,500,000	\$0	\$0		

Transit										
#	Project Description	Proj #	2021	2022	2023	2024	2025	2026	2021 DMC Source	2021 Additional Non-DMC Funding Sources
21	Arrive Rochester Implementation		\$60,000	\$67,000	\$75,000	\$83,000	\$91,000	\$99,000	DMC Sales Tax	
22	ITS Implementation: Rapid Transit	8707	\$5,252,000	\$26,584,647	\$10,752,032	\$10,998,021			Transit Aid County & State DMC	
23	Active Commuter Resource Center	New	\$50,000						State DMC Funds	
24	Downtown electric vehicle charging stations	New	\$100,000						DMC Sales Tax	
25	City Loop Implementation			\$500,000	\$4,500,000					
26	ITS Implementation Phase 2	New				\$1,000,000	\$8,000,000	\$15,000,000		
Transit SUBTOTAL			\$5,462,000	\$27,151,647	\$15,327,032	\$12,081,021	\$8,091,000	\$15,099,000		

			Total DMC Investment	\$37,562,441	\$44,848,973	\$21,969,591	\$17,271,579	\$12,382,407	\$18,994,187	
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# Operating & Work Plan Budget Principles

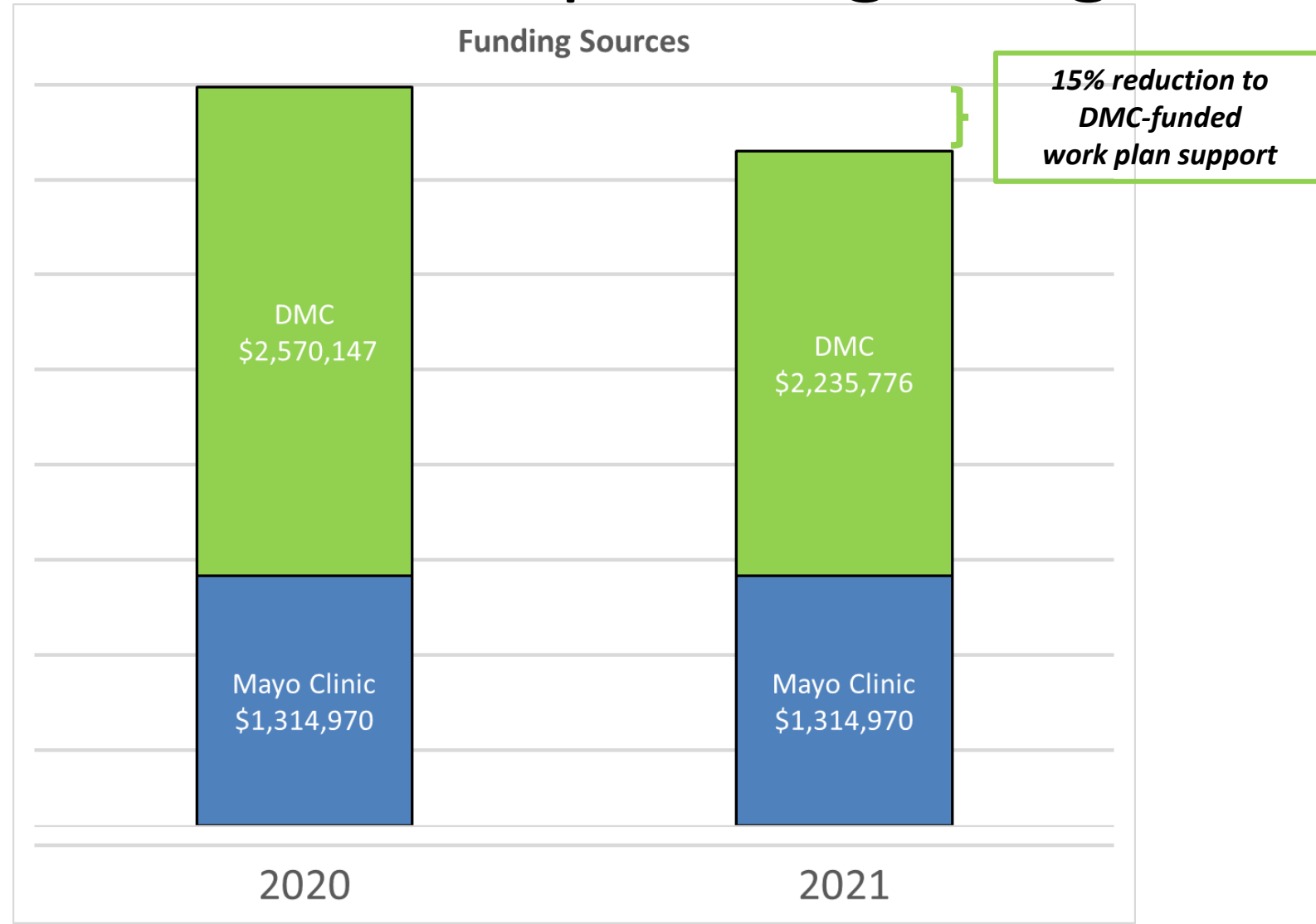
- Fulfill responsibilities assigned to the DMC EDA by Minnesota Statutes 469.40-469.47
- Successfully implement the DMC Development Plan
- Advance approved strategic priorities
- Achieve Outcomes in annual work plan
- Incorporate complementary planning and implementation activities assigned to the City of Rochester DMC Project Management Team
- Integrate pandemic recovery and resiliency efforts into annual work plan

**2021 WORK PLAN:**

	Leadership Business Initiative	Stakeholder Engagement Plan	Resource Allocation	Performance Measurement Framework	Risk Mitigation Strategy	Timeline Milestones	Key Deliverables	Success Criteria	Owner	Status	Notes
X	X	X				X	X	X			
X	X	X				X	X	X			Create a measurement system to monitor progress toward Integrated Transit Studies (ITS) implementation.
X	X	X				X	X	X			Create an economic development plan and strategy for transit-oriented development (TOD), the West Transit Village, and station area locations.
X	X	X				X	X	X			Operate a successful and informative autonomous vehicle (AV) pilot.
X	X	X				X	X	X			Advance design, engineering process and overall development of the rapid-transit circulator.
X	X	X				X	X	X			Create a downtown lake infrastructure strategy.
X	X	X				X	X	X			Establish a long-term Aurora Rochester Transit Management Association (TRMA) governance strategy.
X	X	X				X	X	X			Develop a public-private downtown parking strategy.
X	X	X				X	X	X			Create a pedestrian access plan to connect to rapid-transit to ensure safe, equitable access.
X	X	X				X	X	X			Include 20 business and property owner ideas to minimize impacts of construction.
X	X	X				X	X	X			Maintain access to sidewalks during construction.
X	X	X				X	X	X			100+ interactions with business and property stakeholders.
X	X	X				X	X	X			Increase visitation in heart of the City by 25%.
X	X	X				X	X	X			Final Discovery Walk design completed and approved.
X	X	X				X	X	X			Discovery Walk Construction begins.
X	X	X				X	X	X			Identify opportunities for home ownership in the DMC district.
X	X	X				X	X	X			Realize 50 units between 50-60% AMI.
X	X	X				X	X	X			Realize 45 units between 50-60% AMI.
X	X	X				X	X	X			10 higher education students in interning DMC district businesses, in addition to Mayo Clinic programs.
X	X	X				X	X	X			2 high school students from the City of Rochester or region are hosted by businesses in Discovery Square for an experiential learning opportunity.
X	X	X				X	X	X			Achieve targeted business and workforce goals: Women Workforce goal: 7%, Minority Workforce goal: 13%, Targeted Business goal: 7%. Construction Business goal: 4%.
X	X	X				X	X	X			Two Discovery Square construction underway.
X	X	X				X	X	X			Complete West Transit Village master plan.
X	X	X				X	X	X			Complete downtown waterfront plans (waterfront, reimagined and south waterfront).
X	X	X				X	X	X			Work with stakeholders partners to complete UMMS/District/Investment sub-district plan.
X	X	X				X	X	X			Benchmarking program includes 150 buildings.
X	X	X				X	X	X			Provide monthly reports toward DMC greenhouse gas, energy and sustainability goals.
X	X	X				X	X	X			Provide and evaluate 12 sustainability events and assist with management of Rochester Festival.
X	X	X				X	X	X			Complete Sustainability and Resiliency Task Force (SRTF) provided by City of Rochester and begin project implementation.
X	X	X				X	X	X			Complete projects identified in Phase 1 of Strategic Energy Forward Plan and begin work on Phase 2 projects.
X	X	X				X	X	X			Integrate members of underrepresented communities into economic recovery strategy planning.
X	X	X				X	X	X			No DMC Assisted Tech Challenge deliverables; have six Rochester applications, five tech applications, one application from other states, and two international applications.
X	X	X				X	X	X			Support the opening of 3+ micro-finance businesses.
X	X	X				X	X	X			Help retain and/or existing businesses by directly engaging with 25+ business operators within the DMC district.
X	X	X				X	X	X			Deliver 10+ entrepreneurship programs in collaboration with other organizations.
X	X	X				X	X	X			Secure at least four new business transactions in Discovery Square.
X	X	X				X	X	X			Add one target marketing activities including Digital Health, Entrepreneurship and Retail, Dining and Entertainment.
X	X	X				X	X	X			Generate a minimum of 130 business and economic development leads per quarter.
X	X	X				X	X	X			Continue to build gender equity, national and international networks.
X	X	X				X	X	X			Drove qualified traffic to www.dmc.me, increasing engagement, lead generation and movement through the sales funnel.
X	X	X				X	X	X			Increase earned media coverage by 30% using various communication tactics.
X	X	X				X	X	X			Retain strong, vibrant business ecosystem (current COVID-19 assessment and market study conducted).
X	X	X				X	X	X			RDI recruitment/retention strategy developed with a focus on heart of the City and Discovery Square that supports residents, visitors and workers.
X	X	X				X	X	X			Increase community participation DMC general and targeted engagement activities by underrepresented communities by 100%.
X	X	X				X	X	X			Increase the number of strategic community engagement collaborations created with targeted audiences, including entrepreneurs, young families, LGBQ+ individuals, underrepresented communities, and small business owners.
X	X	X				X	X	X			Create/collaborate on projects that support a world class destination to enhance the quality of the experience for patients, visitors and residents in Rochester, including projects related to patient and visitor arrival and off-day stops and amenities, and student needs based on 2023 research.
X	X	X				X	X	X			Collaborate with stakeholders to establish experience measurement progress benchmarked against original 2013 data.
X	X	X				X	X	X			Through collaboration, integrate equity into DMC project and program development.



# DMC EDA Work Plan and Operating Budget



2021 DESTINATION MEDICAL CENTER ECONOMIC DEVELOPMENT AGENCY BUDGET				
		Total 2020 Budget	Total 2021 Budget	YOY Total Budget Change (\$)
<b>DMC EDA Staff Costs</b>				
1	Payroll	\$1,808,171	\$1,575,238	-\$232,933
2	Benefits	\$140,809	\$145,033	\$4,225
3	Payroll Expenses	\$6,831	\$9,620	\$2,789
4	Transportation/Transit Subsidy	\$8,446	\$9,600	\$1,154
5	Reimbursements	\$0	\$0	\$0
<b>Subtotal</b>		<b>\$1,964,256</b>	<b>\$1,739,491</b>	<b>-\$224,765</b>
<b>DMC EDA Operational Costs</b>				
6	Rent and Utilities	\$124,095	\$130,030	\$5,935
7	Equipment Rentals/Furniture	\$0	\$0	\$0
8	Office Supplies/Consumables	\$20,000	\$18,000	-\$2,000
9	Room Rental	\$0	\$0	\$0
10	Postage, and Shipping	\$1,500	\$1,500	\$0
11	Website Drafting/Hosting	\$18,310	\$19,200	\$890
12	IT Hardware, Software and Support	\$25,939	\$35,200	\$9,261
13	Miscellaneous Costs	\$2,546	\$2,784	\$238
<b>Subtotal</b>		<b>\$192,390</b>	<b>\$206,714</b>	<b>\$14,324</b>



2021 DESTINATION MEDICAL CENTER ECONOMIC DEVELOPMENT AGENCY BUDGET				
		Total 2020 Budget	Total 2021 Budget	YOY Total Budget Change (\$)
<b>Economic Development</b>				
14	Print & Collateral	\$40,000	\$45,000	\$5,000
15	Outreach and Local Events	\$107,000	\$143,580	\$36,580
16	Subscriptions and Memberships	\$5,000	\$10,561	\$5,561
17	Conferences, Meetings, Travel & Participation	\$92,000	\$23,500	-\$68,500
18	Economic Development	\$756,700	\$628,100	-\$128,600
<b>Subtotal</b>		<b>\$1,000,700</b>	<b>\$850,741</b>	<b>-\$149,959</b>
<b>Professional Services</b>				
19	Legal Services	\$45,000	\$41,400	-\$3,600
20	Website Management and CRM	\$32,770	\$40,500	\$7,730
21	Marketing Communications & Advertising	\$435,000	\$447,500	\$12,500
22	Strategic Public Relations	\$65,000	\$62,000	-\$3,000
23	Contracted Support Staff	\$65,000	\$75,000	\$10,000
24	Financial Reporting Services	\$35,000	\$28,400	-\$6,600
<b>Subtotal</b>		<b>\$677,770</b>	<b>\$694,800</b>	<b>\$17,030</b>
<b>Miscellaneous Costs</b>				
25	Insurance & Taxes	\$50,000	\$59,000	\$9,000
26	Miscellaneous Costs / Contingency	\$0	\$0	\$0
	<b>Subtotal</b>	<b>\$50,000</b>	<b>\$59,000</b>	<b>\$59,000</b>
	<b>TOTAL BUDGET</b>	<b>\$3,885,117</b>	<b>\$3,550,746</b>	<b>-\$334,371</b>

# 2021 DESTINATION MEDICAL CENTER CITY OF ROCHESTER PROJECT MANAGEMENT BUDGET

		2020 DMC Funding	2021 DMC Funding	YOY DMC Funding Change (\$)
<b>Staff Costs</b>				
1	Employee Services	\$580,808	\$609,658	\$28,850
<b>Subtotal</b>		<b>\$580,808</b>	<b>\$609,658</b>	<b>\$28,850</b>
<b>Operational Costs</b>				
2	Rents and Leases	\$0	\$2,500	\$2,500
3	Adv, Publishing, & Printing	\$0	\$7625	\$7,625
4	Contractual Mtce & Repair	\$0	\$38,000	\$38,000
5	Expert and Professional Services	\$0	\$8000	\$8,000
6	Communications	\$0	\$1,880	\$1,880
7	Travel/Training/Business Mea	\$12,500	\$6,650	-\$5,850
8	Subscriptions/Bks/Membership	\$0	\$5,075	\$5,075
9	Office Supplies	\$0	\$2,100	\$2,100
10	Other Charges	\$0	\$14,727	\$14,727
11	Miscellaneous	\$15,900	\$0	-\$15,900
12	Professional Development	\$5,000	\$0	-\$5,000
13	Office	\$3,900	\$0	-\$3,900
14	Information Technology	\$42,416	\$0	-\$42,416
<b>Subtotal</b>		<b>\$79,716</b>	<b>\$86,557</b>	<b>\$6,841</b>
	<b>TOTAL BUDGET</b>	<b>\$660,524</b>	<b>\$696,215</b>	<b>\$35,691</b>

**DMCC**  
**2020 Budget Worksheet and**  
**Proposed 2021 Budget**

Account Description	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Budget	2018 Actual	2019 Budget	2019 Actual	2020 Budget	2020 Actual 7/20	Proposed 2021 Budget
DMC Corporation											
Revenues	-5,416,447	-3,602,320	-2,288,340	-2,471,264	-2,852,106	(2,581,654)		1,161,491			
Interest Earned				6		(14)		6			
Building Rent	3,173	21,232	18,907	32,558	35,000	24,050	35,000	34,017	35,000	8,190	36,750 (3)
Rents and Leases	3,173	21,232	18,907	32,558	35,000	24,050	35,000	34,017	35,000	8,190	36,750
Audit Services	0	2,839	3,000	2,897	3,000	3,000	3,000	3,150	3,500	3,300	4,000 (4)
Legal Consultants	455,165	324,144	217,195	172,584	250,000	160,503	225,000	146,785	200,000	71,203 (1)(2)	180,000 (5)
Accounting Consultants	0	1,144	1,000	1,800	1,500	1,050	2,000	1,100	2,000	1,150	2,000
Other Expert & Profssnl Srvcs	21,927	13,913	17,333	11,145	40,000	7,994	35,000	10,418	20,000	2,053	20,000
Expert & Professional Services	477,092	342,040	238,528	188,426	294,500	172,547	265,000	161,452	225,500	77,706	206,000
Travel and training	10,508	976	538	0	5,000	272	5,000	322	5,000	153	5,000
Business meal expenses		0	35	0	1,000	0	1,000		1,000		1,000
Travel/Training/Business Meals	10,508	976	573	0	6,000	272	6,000	322	6,000	153	6,000
Comprehensive Liability Ins	4,713	17,601	15,303	16,136	20,000	14,171	20,000	13,607	20,000	10,874	20,000
Insurance - Misc others											
Insurance and Bonds	4,713	17,601	15,303	16,136	20,000	14,171	20,000	13,607	20,000	10,874	20,000
Contractual Services											
Contractual Services											
Professional & Contracted Srvcs	495,486	381,850	273,311	237,120	355,500	211,040	326,000	209,398	286,500	96,922	268,750
Other Supplies											
Supplies											
Materials and Supplies						0	0	0		0	
Interest		54	13	19	100	27		20		4	
Other Charges			25	25	100	25		25			
Other Charges		54	38	44	200	52	0	45	0	4	0
Expenditures	495,486	381,903	273,349	237,164	355,700	211,093	326,000	209,443	286,500	96,926	268,750
Other Financing Uses											
DMC EDA Corporation - Net Revs - Exps	-4,920,961	-3,220,416	-2,014,991	2,234,105	2,496,406	2,370,576	2,571,406	1,052,444	2,570,147	1,156,493	
City DMCC Project Management									660,524	420,858	
Keep It Local Grants - COVID-19 Response									-	49,078	
City Support Expenses				0	125,000	0					
Total DMCC & EDA				2,471,269.43	2,852,106	2,581,668.57	2,897,406.00	1,261,886.77	3,517,171.00	1,723,355.28	268,750.00

(1) This amount reflects expenses from January - May, 2020

(2) The amount of fees due or unbilled as of July 31, 2020 is \$14,123.81

(3) This amount represents a 5% increase for 2021

(4) The DMCC is issuing an RFP for audit services in 2021. This amount represents a 14% increase for 2021

(5) This amount reflects a 10% decrease for 2021



## DMC Working Capital Loans

- \$1,000 DMC Corp. Loan
- \$75,000 DMC EDA Loan



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# Project Updates

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# Transportation

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## Requested Action

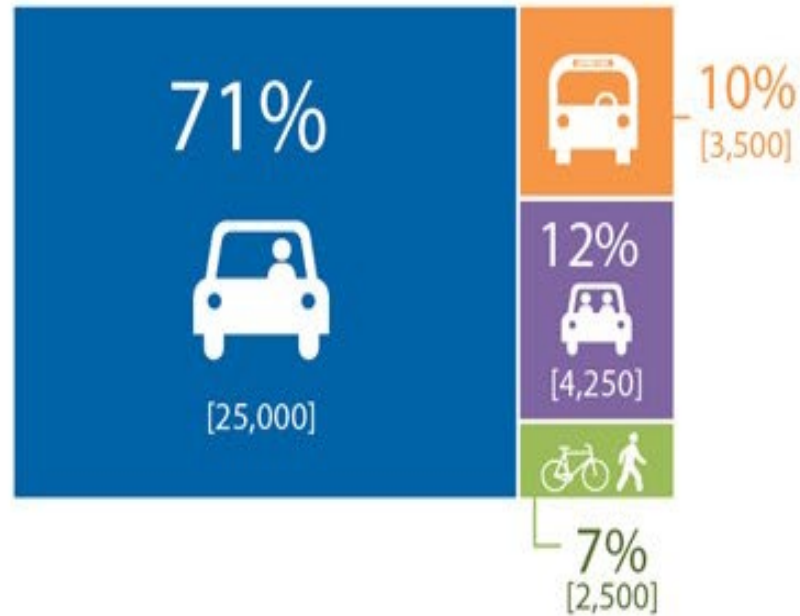
- Endorse Rapid Transit described in the Federal Transit Administration (FTA) application summarized in this presentation
- Adopt five-year CIP that incorporates the funds necessary to support the local share of the Rapid Transit funding (later on agenda)



## Mode Shift

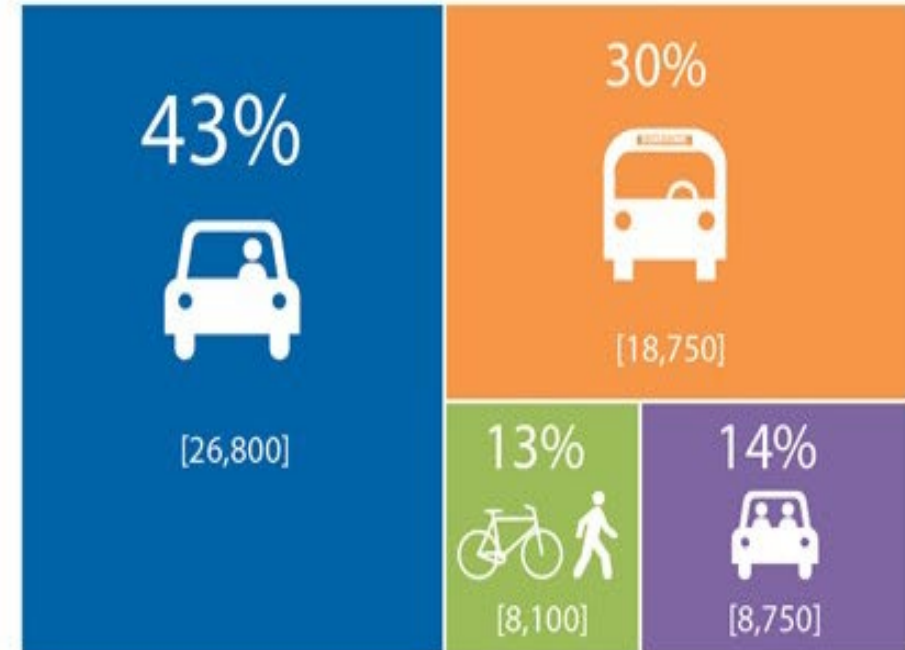
### Today

35,250 Daily Commuters



### 2040 Target

62,400 Daily Commuters



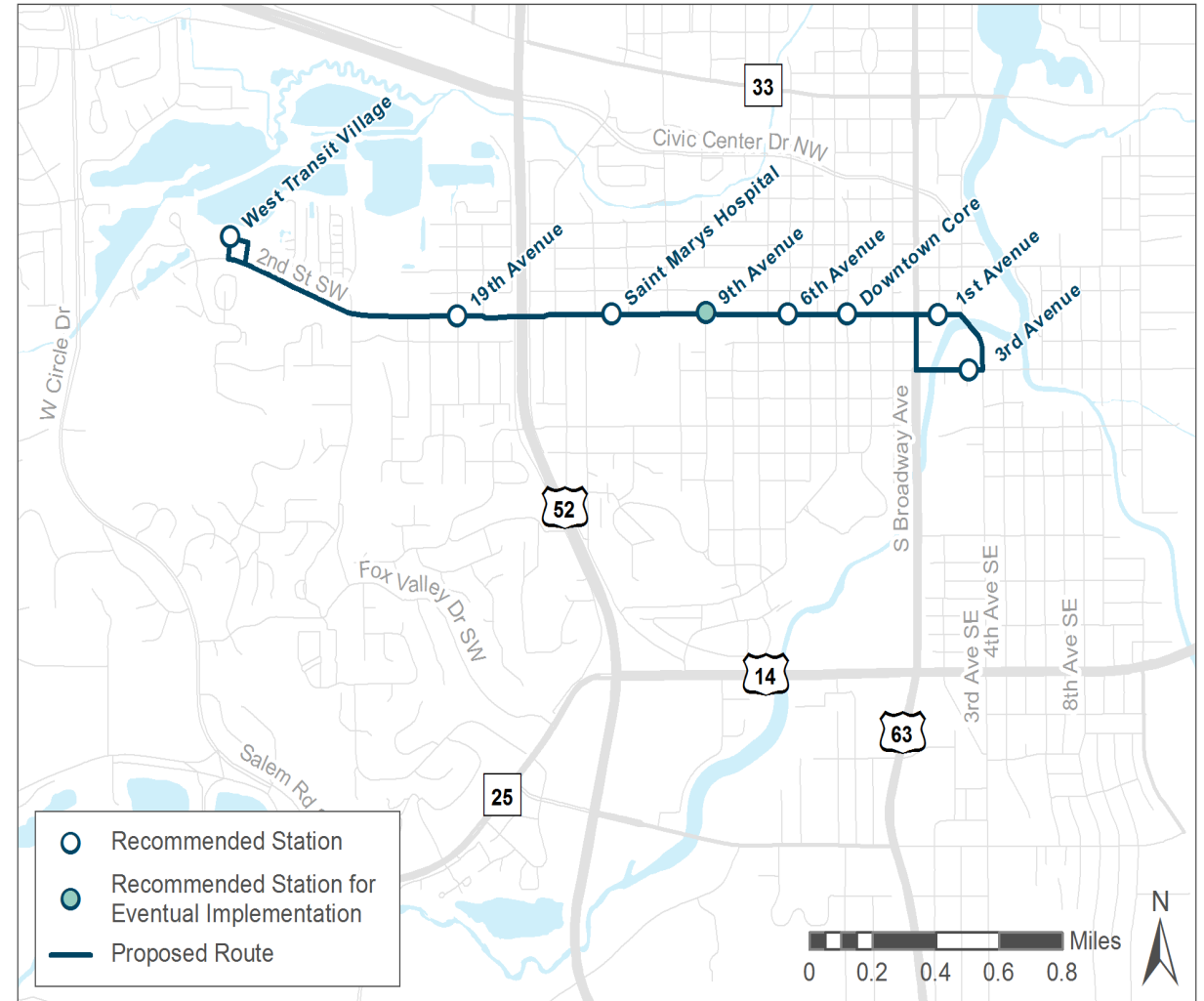
■ Drive Alone ■ Carpool ■ Transit ■ Walk Bike





## Project Definition

- Three-mile Bus Rapid Transit line.
- Eight stations.
- Business access and transit (BAT) lanes.
- Saint Marys Transit Station and pedestrian access tunnel.
- Reconstruction of 2<sup>nd</sup> Street SW between 16<sup>th</sup> and 11<sup>th</sup> Avenues.
- Electric vehicles.





## Project by the Numbers



Weekday service every 5 minutes from 6-9 am and 3-6 pm.



Service every 10 minutes other times, including weekends.



Weekday service 5 am – 11 pm.



Weekend service 8 am – 11 pm.



Anticipated opening day ridership (2025): 11,000.



Capital cost: \$114 million.



Annual operations & maintenance cost: \$2.82 million.



# TOD Study: Station Area Concepts

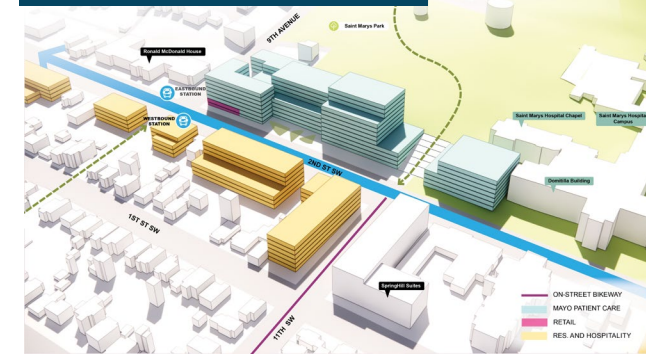
## West Transit Village



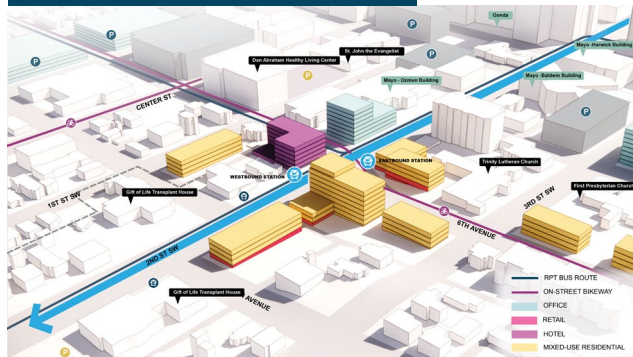
## 19th Community Hub



## St Mary's Place



## 6th Ave Gateway



## The Intersection



## Government Center





## West Transit Village - Master Plan Diagram

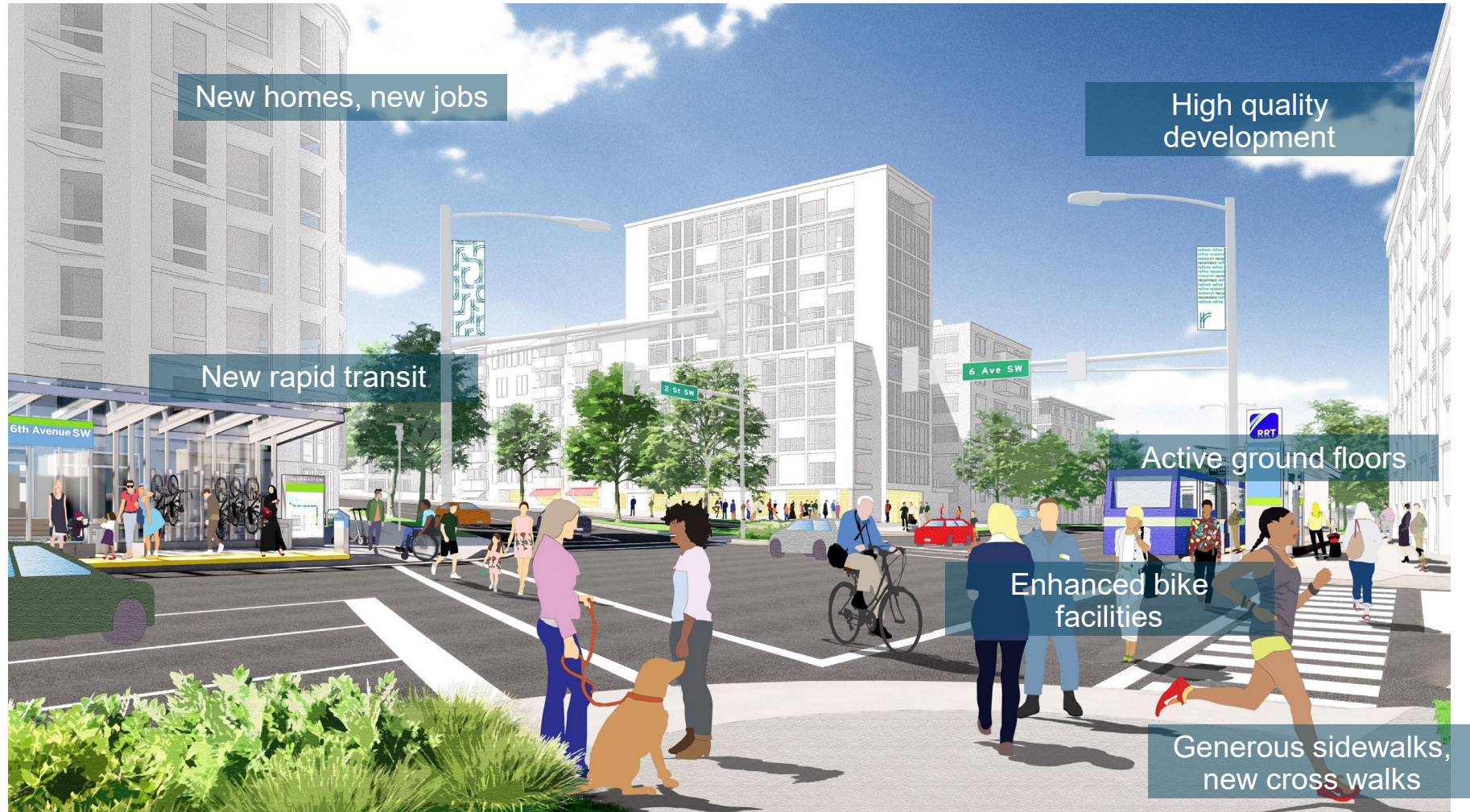






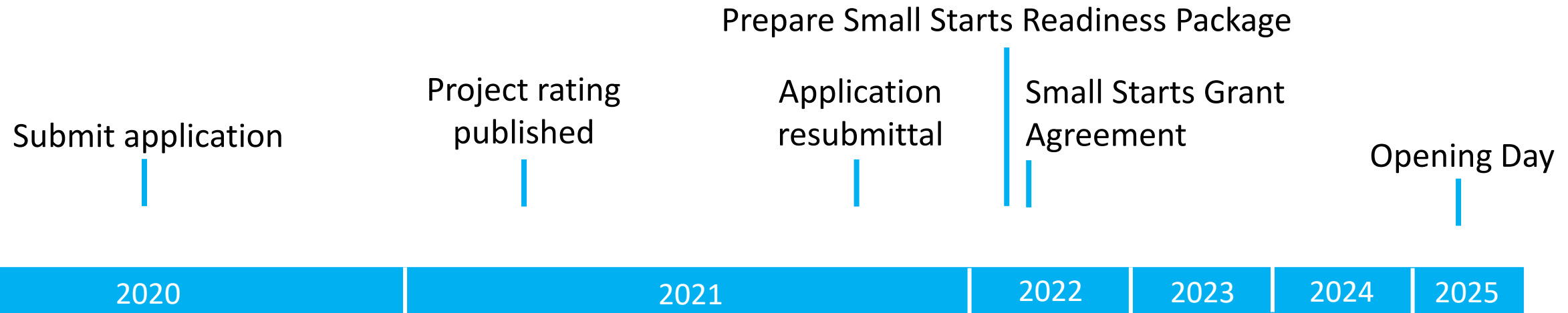
# TOD Study: Connectivity, Public Realm, Development

## Connectivity and Public Realm    A Better Experience for People





## Small Starts Application: Timeline



- FTA will publish the project's rating in spring 2021.
- If project receives a medium rating or better, will be eligible for Small Starts grant.
- Small Starts eligibility is not a guarantee of a Small Starts grant or its timing.
- Timing shown here is an estimate.



## Small Starts Application: Estimated Ratings

### OVERALL PROJECT RATING

**50%**

**PROJECT  
JUSTIFICATION**

Estimated project justification rating: medium (50%)

Mobility  
Improvements  
(16.66%)

Environmental  
Benefits  
(16.66%)

Congestion  
Relief  
(16.66%)

Cost-  
Effectiveness  
(16.66%)

Land Use  
(16.66%)

Economic  
Development  
(16.66%)

**50%**

**LOCAL FINANCIAL  
COMMITMENT**

Estimated financial rating: high (50%)

Current  
Condition  
(25%)

Commitment  
of Funds  
(25%)

Reliability/  
Capacity  
(50%)

Estimated overall rating: medium-high



## Small Starts Application: Financial Assumptions & Request

### Capital



- Local match = 51% of capital costs
- FTA Small Starts grant request = 49% of capital costs

### Ongoing Operations



- City of Rochester
- Potential Other Partners





## Next Steps: Fall 2020

- Design of and public engagement regarding business access and transit (BAT) lanes on 2<sup>nd</sup> Street.
- Completion of the traffic analysis; public engagement regarding results and next steps.
- Assembly of a group of interested residents and stakeholders to participate intensively in the station architecture and design process.
- Beginning the environmental review process (National Environmental Policy Act).



## Requested Action

- Endorse Rapid Transit described in the Federal Transit Administration (FTA) application summarized in this presentation
- Adopt five-year CIP that incorporates the funds necessary to support the local share of the Rapid Transit funding (later on agenda)



DMC  
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Medical Center

**Heart of the City**

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# Construction Schedule Updates

<u>Project Component</u>	<u>Original Schedule</u>	<u>New Schedule</u>
• Second Street	09/28/2020	08/21/2020
• First Avenue South	07/28/2021	03/01/2021
• First Avenue North	08/20/2021	12/23/2020
• Peace Plaza	08/13/2021	07/1/2021



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**Discovery Square**

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# Discovery Square Areas of Focus

- Business Recruitment
- Start-up Program in Partnership with Medical Alley
- Discovery Square Two
  - 2020 Groundbreaking
- Discovery Walk
  - Fall 2021 Construction





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# DMC EDA Update

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# Organizational Responses to COVID19

- Keep it Local Micro-grants
- Business Pivot Storytelling
- Business Forward
- Rochester Ready
- Property Owner Discussions
- DMC Webinar Series
- Bootstraps Team Consults
- CARES ACT- City, County, RPU
- Various Loan and Grant Programs



# Next Steps:

- Extension of outdoor dining season
- Parking options
- Increased visitation programing
- Other partnerships- rent relief & special grants

