



DMC  
Destination  
Medical Center

Destination Medical Center Corporation  
Board of Directors Meeting

Thursday, August 27, 2020  
9:30 A.M.



DESTINATION MEDICAL CENTER CORPORATION (DMCC)

BOARD MEETING

Thursday, August 27, 2020

9:30 A.M.

Following the March 13, 2020 Declaration of Peacetime Emergency by Governor Walz (as may be amended), the Destination Medical Center Corporation (DMCC) is holding its regularly scheduled August 27, 2020 9:30 AM meeting by telephone or other electronic means, according to Minnesota Statutes, Section 13D.021. DMCC Chair Rybak has concluded that an in-person meeting and the regular meeting location for the DMCC is not practical or prudent because of the health pandemic declared under the Emergency Order and according to current guidance from the Minnesota Department of Health and the CDC. The public may monitor the meeting by calling the phone number listed below (#2) or on-line through the link below (#3).

In addition, to participate in the public hearing by telephone or videoconference:

1. Sign up at least one hour before the meeting by sending your full name, phone number, and email address to [info@dmc.mn](mailto:info@dmc.mn).
2. To join the meeting by telephone, dial 1 888 788 0099; when prompted, enter meeting ID 851 6753 0412.
3. To join the meeting by videoconference, use the following link:  
<https://us02web.zoom.us/j/85167530412>

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DESTINATION MEDICAL CENTER CORPORATION (DMCC)  
BOARD MEETING

Thursday, May 28, 2020  
9:30 A.M.

MINUTES

I. Call to Order. Chair R.T. Rybak called the meeting to order at 9:30 a.m.

II. Roll Call. Chair R.T. Rybak, Mayor Kim Norton, Paul Williams, Jim Campbell, Commissioner Jim Bier, Pamela Wheelock, Michael Dougherty, and Council President Randy Staver were present.

III. Approval of Agenda. Commissioner Bier moved approval of the Agenda. Mr. Campbell seconded.

Ayes: Commissioner Bier, Mr. Campbell, Mr. Dougherty, Council President Staver, Mr. Williams, Chair Rybak.

Nays: None.

IV. Approval of Minutes: February 6, 2020. Commissioner Bier moved approval of the Minutes. Mr. Campbell seconded.

Ayes: Commissioner Bier, Mr. Campbell, Mr. Dougherty, Council President Staver, Mr. Williams, Chair Rybak.

Nays: None.

V. Chair's Report. Chair Rybak welcomed Rochester City Council President Randy Staver to the Board. He also stated that a commendation for the most recent designee to the seat, Council Member Nick Campion, has been prepared and that Mr. Williams and Mr. Campbell have been re-appointed to six year terms.

Chair Rybak summarized the March 2020 DMCC Executive Committee meeting, and noted that the upcoming DMCC Board meeting has been rescheduled from September 24 to August 27.

VI. Election of Officers. Ms. Wheelock nominated the current officers for reappointment to one year terms: Mr. Rybak as chair; Mayor Norton as vice chair; Mr. Williams as secretary; Commissioner Bier as treasurer; and City Finance Director Dale Martinson as assistant treasurer. Council President Staver seconded the motion.

Ayes: Commissioner Bier, Mr. Campbell, Mr. Dougherty, Mayor Norton, Council President Staver, Mr. Williams, Ms. Wheelock, Chair Rybak.

Nays: None.

VII. Consent Agenda.

A. Resolution A: Commending Nick Campion

B. Resolution B: Ratifying and Confirming the April 1, 2020 Report to DEED Pursuant to Statute

C. Resolution C: DMCC 2020 Budget Year to Date Update

Commissioner Bier moved approval of the Consent Agenda. Ms. Wheelock seconded.

Ayes: Commissioner Bier, Mr. Campbell, Mr. Dougherty, Mayor Norton, Council President Staver, Mr. Williams, Ms. Wheelock, Chair Rybak.

Nays: None.

VIII. DMCC Audit for Year Ending December 31, 2019. Craig Popenhagen, CliftonLarsonAllen, provided the 2019 audit report. Mr. Popenhagen reported a clean opinion: the audit generated no negative internal control findings, no negative legal compliance findings, no audit adjustments, and no policy changes. Mr. Popenhagen also reported that a federal tax return extension has been filed and that the DMCC state charitable organization report will be filed later this year. Commissioner Bier moved to accept the audit. Ms. Wheelock seconded.

Ayes: Commissioner Bier, Mr. Campbell, Mayor Norton, Council President Staver, Mr. Williams, Ms. Wheelock, Chair Rybak.

Nays: None.

IX. DMC Metrics. Lisa Clarke, EDA Executive Director, and Patrick Seeb, Economic Development and Placemaking Director, presented a recommendation to update the DMC goals for targeted business and workforce utilization. Mr. Seeb noted that the City of Rochester maintains a targeted business and workforce plan for DMC and that City and EDA staff are recommending that the goals be increased over the next several years. Tactics for pursuing these goals will be included in the 2021 EDA work plan.

X. COVID-19 Organizational Responses.

A. DMCC Executive Committee Direction. Chair Rybak invited leaders from the City of Rochester, Olmsted County, Mayo Clinic, and the EDA to offer reports of responses to the health and economic crisis instigated by the COVID-19 pandemic.

B. Mayo Clinic Update. The Mayo Clinic update was provided by Jeffrey Bolton, Mayo Clinic Chief Administrative Officer. Mr Bolton reported that Mayo Clinic launched several health and research efforts in response to the pandemic, including tests, treatment, trials, and vaccine development. To mitigate risks to employee and patient health, Mayo Clinic curtailed non-emergent patient visits, redesigned care and visitation protocols, and moved thousands of staff away from campus. In response to the economic strains incurred by the pandemic, Mayo Clinic has reduced expenses in several ways, delaying capital projects (including the Gonda vertical expansion and Discovery Square parking ramp), reducing staff pay, and instituting a hiring freeze. Mr. Bolton reported that patient visitation volumes are increasing and that Mayo Clinic's "new normal" business operations could be stable by the end of the year

C. EDA Update. Ms. Clarke noted the direction provided to staff by the DMCC Board Executive Committee at its March 2020 meeting: accelerate job creation, maintain business development and other core activities, and contribute to economic recovery and resiliency efforts. Ms. Clarke reported that several programs are underway,

including a recovery webinar series, virtual community engagement, Business Forward implementation, the Keep it Local grants, a “Business Pivot” communications series, and several new partnerships.

- D. City of Rochester and Olmsted County Update. Mayor Norton and Council President Staver described elements of the City’s ongoing response efforts, including: the declaration of a state of emergency; activating the City’s emergency operations center; daily economic stability team meetings; the relocation and staffing of homeless and warming shelters; operating a call center; the “Keep it Local” grant program and emergency small business loans and consultation support; and the deferral of liquor licenses and suspension of parking fees.

Commissioner Bier stated that Olmsted County has taken several steps in response to the pandemic, including the deferral of property tax collections; contact tracing by the County public health office; operating testing sites with Mayo Clinic and Olmsted Medical Center at Graham Park; extending the seasonal operation of the warming shelter; and participating in the “Rochester Re-opens” efforts.

- E. COVID-19 Infrastructure Support. Chair Rybak stated that a key economic challenge will be maintaining the viability of current small businesses and noted the value Rochester’s economy brings to the State of Minnesota. Chair Rybak proposed that the DMCC board needs to be ready to deploy its resources, with support from local leaders, to meet local economic challenges. Responding to this proposal, Mayor Norton suggested that it could also make sense for DMC resources to be retained until the longer-term economic implications of the pandemic are better understood. Ms. Clarke described the possible DMC CIP sources of \$250,000 in economic recovery and resiliency funding, the proposed principles that could guide its use, and how staff intend to keep the Board informed of recovery and resiliency investments. Mayor Norton stated that DMCC assistant treasurer Dale Martinson should also be provided investment reports.

Resolution C: Approving COVID-19 Expenditures in the Public Realm as Public Infrastructure Projects and Authorizing Expenditures.

Chair Rybak moved approval of the Resolution. Ms. Wheelock seconded.

Chair Rybak suggested a friendly amendment to the Resolution, reallocating the funding for the Resolution from the Five-Year Plan Update line items in the budget. Without objection, the friendly amendment was adopted.

Ayes: Commissioner Bier, Mr. Campbell, Council President Staver, Mr. Williams, Ms. Wheelock, Mr. Rybak.

Nays: None.

- XI. 2021 DMCC Funding Request: Priorities, Process and Timeline. Ms. Clarke provided an update on the 2021 funding request, requesting that the Board endorse the process, priorities, and timeline. Council President Staver, Commissioner Bier, Ms. Wheelock and Mr. Campbell volunteered to advise staff.
- XII. Development Plan Five Year Update. Mr. Seeb provided an update regarding the ongoing effort to update the DMC development plan, describing the process, plan elements, and timeline. The updated plan will be presented to the Board at its August 27, 2020 meeting. Mr.

Williams suggested that the Board may wish to take more time to assess the changing economic conditions.

- XIII. Project Updates. Ms. Clarke provided brief project updates. In Discovery Square, staff are advancing Discovery Walk development, district energy planning, and pedestrian experience needs. Construction and business development efforts continue, with One Discovery Square approximately ninety percent leased and Discovery Square 2 advancing toward a planned 2020 groundbreaking. Additionally, the EDA has been working with the Medical Alley Association to develop start-up space in Discovery Square.

Ms. Clarke introduced Shane Mandel, Medical Alley Association President, who stated that the association has been identifying challenges the Minnesota health industry will encounter over the next decade. Mr. Mandle described DMC as an ally in addressing these challenges and introduced Frank Jaskulke, Medical Alley Association Vice President, who made additional remarks.

- XIV. 2020 Capital Improvement Plan (CIP): Reallocation of Funds. Mr. Seeb described recommended reallocations of 2020 DMC CIP funding to purchase a snowmelt system for the Heart of the City phase 1 project and to accelerate a planned sewer diversion project in the Central Station subdistrict. Mr. Seeb indicated that City staff also support the reallocation.

Resolution D: Approving Amendments to the 2020 Five Year Capital Plan. Mayor Norton moved approval of the Resolution. Ms. Wheelock seconded.

Ayes: Commissioner Bier, Mr. Campbell, Mayor Norton, Council President Staver, Mr. Williams, Ms. Wheelock, Mr. Rybak.

Nays: None.

- XV. Transportation

A. Phase 1 Update

B. Development District Boundary Modification

Resolution E: Authorizing Submission of a Modification to the Development District to the City of Rochester (West Transit Corridor)

Mr. Seeb presented the transportation update and requested that the Board adopt a phased transit circulator development strategy and begin the process for modifying the Development District to include the west transit village and public right-of-way for the western section of the transit circulator route. Mayor Norton moved approval of the resolution. Commissioner Bier seconded.

Ayes: Commissioner Bier, Mr. Campbell, Mayor Norton, Council President Staver, Mr. Williams, Ms. Wheelock.

Nays: None.

Ms. Wheelock made a motion to approve the phased circulator development strategy. Mr. Campbell seconded the motion.



Ayes: Commissioner Bier, Mr. Campbell, Council President Staver, Ms. Wheelock, Mr. Williams, Mayor Norton.

Nays: None.

XVI. EDA Update

Ms. Clarke informed the Board that the energy updates will be presented at a future Board meeting.

XVII. Meeting Schedule

A. Next Meeting: August 27, 2020 at 9:30 A.M.

Commissioner Bier moved to adjourn the meeting. Ms. Wheelock seconded.

Ayes: Commissioner Bier, Mr. Campbell, Council President Staver, Mr. Williams, Mayor Norton, Ms. Wheelock.

Nays: None.



## LIABILITY COVERAGE – WAIVER FORM

**Members who obtain liability coverage through the League of Minnesota Cities Insurance Trust (LMCIT) must complete and return this form to LMCIT before the member's effective date of coverage. Return completed form to your underwriter or email to [psiech@lmc.org](mailto:psiech@lmc.org).**

*The decision to waive or not waive the statutory tort limits must be made annually by the member's governing body, in consultation with its attorney if necessary.*

Members who obtain liability coverage from LMCIT must decide whether to waive the statutory tort liability limits to the extent of the coverage purchased. The decision has the following effects:

- *If the member does not waive the statutory tort limits, an individual claimant could recover no more than \$500,000 on any claim to which the statutory tort limits apply. The total all claimants could recover for a single occurrence to which the statutory tort limits apply would be limited to \$1,500,000. These statutory tort limits would apply regardless of whether the member purchases the optional LMCIT excess liability coverage.*
- *If the member waives the statutory tort limits and does not purchase excess liability coverage, a single claimant could recover up to \$2,000,000 for a single occurrence (under the waive option, the tort cap liability limits are only waived to the extent of the member's liability coverage limits, and the LMCIT per occurrence limit is \$2,000,000). The total all claimants could recover for a single occurrence to which the statutory tort limits apply would also be limited to \$2,000,000, regardless of the number of claimants.*
- *If the member waives the statutory tort limits and purchases excess liability coverage, a single claimant could potentially recover an amount up to the limit of the coverage purchased. The total all claimants could recover for a single occurrence to which the statutory tort limits apply would also be limited to the amount of coverage purchased, regardless of the number of claimants.*

Claims to which the statutory municipal tort limits do not apply are not affected by this decision.

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LMCIT Member Name: \_\_\_\_\_

*Check one:*

☒ The member **DOES NOT WAIVE** the monetary limits on municipal tort liability established by [Minn. Stat. § 466.04](#).

☐ The member **WAIVES** the monetary limits on municipal tort liability established by [Minn. Stat. § 466.04](#), to the extent of the limits of the liability coverage obtained from LMCIT.

Date of member's governing body meeting: August 27, 2020

Signature: \_\_\_\_\_ Position: Chair

## DESTINATION MEDICAL CENTER CORPORATION

## RESOLUTION NO. \_\_\_\_-2020

## Approving the 2021 DMCC Board Regular Meeting Schedule

BACKGROUND RECITALS

The Minnesota Open Meeting Law provides that a schedule of the regular meetings of a public body shall be kept on file at its primary office. If a public body decides to hold a regular meeting at a time or place different from the time or place stated in its schedule of regular meetings, it shall give the same notice of the meeting that is provided for a special meeting.

RESOLUTION

**NOW, THEREFORE, BE IT RESOLVED**, by the Destination Medical Center Corporation (“DMCC”) Board of Directors that the schedule of regular meetings for 2021 is set forth below. The meetings will begin at 9:30 a.m., and the location will be at the Mayo Civic Center. The Secretary is directed to post the 2021 schedule on the website and to post notification by such other means as he determines necessary and appropriate.

<u>Date</u>	<u>Time</u>	<u>Location</u>
Wednesday, February 3, 2021	9:30 a.m.	Mayo Civic Center
Thursday, May 20, 2021	9:30 a.m.	Mayo Civic Center
Thursday, September 30, 2021	9:30 a.m.	Mayo Civic Center
Thursday, November 4, 2021	9:30 a.m.	Mayo Civic Center

TO: Jim Bier, Treasurer  
Kathleen Lamb, Attorney

FR: Dale Martinson, Assistant Treasurer

Date: August 20, 2020

RE: July 2020 DMCC Budget Summary



The attached unaudited financial summary of activity through July of 2020 reflects total year-to-date DMCC operating expenditures of \$1,323,583 of the \$2.873 million approved 2020 budget. The remaining amount unspent represents 54% of the total budget. There was also an additional payment request of \$73,768.98 submitted by the DMC EDA in August for July activity.

The second page of this summary provides a listing of DMCC authorized projects managed by the City of Rochester. Approximately \$7.8 million has been spent on these projects this year through July of 2020. Total life-to-date expenditures on these projects is approaching \$47.8 million.

Please feel free to contact me with any questions or concerns.

**Destination Medical Center Corporation**  
**Financial Budget Summary**  
**July 2020 (unaudited)**

	2020 Approved Approved Budget	Curent Month July 2020	July 2020 Year To Date	Amount Remaining	Percent Remaining
<b>General Administrative Expenses</b>	41,000	0	8,347	32,653	80%
<b>Professional Services</b>	225,500	58,106	77,706	147,794	66%
<b>Insurance and Bonds</b>	20,000	-	10,874	9,127	46%
<b>Contributions (Keep It Local Grants - Pandemic Response)</b>			49,078		
		-	-	-	
<b>Subtotal DMCC</b>	<b>286,500</b>	<b>58,106</b>	<b>146,005</b>	<b>189,573</b>	<b>66%</b>
<b>Third Party Costs - DMC EDA **</b>					
Payroll, Staff, Administration & Benefits-EDA	965,481	86,669	404,110	561,371	58%
Operating Expenses	69,695	8,603	79,283	(9,588)	-14%
Operational Costs - Contracted		2,637	14,744	(14,744)	#DIV/0!
Economic Development Outreach & Support	807,200	43,016	296,953	510,247	63%
Professional Services	677,770	48,486	382,490	295,280	44%
Miscellaneous Expenses	50,000	-	-	50,000	100%
<b>Subtotal EDA</b>	<b>2,570,146</b>	<b>189,412</b>	<b>1,177,578</b>	<b>1,392,568</b>	<b>54%</b>
<b>Total DMCC 2020</b>	<b>2,856,646</b>	<b>247,518</b>	<b>1,323,583</b>	<b>1,533,063</b>	<b>54%</b>
<b>2019 Budget Carryover - Encumbered Funds for EDA Contracts</b>	<b>16,800</b>	<b>-</b>	<b>-</b>	<b>16,800</b>	<b>100%</b>
<b>Totals for 2020 Including Encumbrance</b>	<b>2,873,446</b>	<b>247,518</b>	<b>1,323,583</b>	<b>1,549,863</b>	<b>54%</b>
NOTE: A payment request for \$73,768.98 was submitted by DMC EDA in August 2020 for July 2020				1,000	
				75,000	

# DMCC Projects

Managed by the City of Rochester

As of July 31, 2020

Project	YTD Expenditures	Project Budget	Life To Date Expenditures
8611C- - Sn/S12AvSW/NW<2StSW>2StNW	55,348.63	2,850,000.00	578,369.45
8612C- - WZmbrRvrSn/SRIflin<CookPk>CCDr		950,000.00	46,592.09
8613C- - ChateauTheatrePre-OccupancyM&O	46,045.68	4,826,802.00	417,400.49
8614C- - DMCTransit&InfrastrctrPrgmMgmt	8,422.00	3,260,524.00	1,824,811.98
8617C- - Broadway @ Center Parking Ramp		10,500,000.00	10,500,000.00
8618C- - SharedParkngStudy&PrgmDevlpmnt	35,297.79	2,061,854.00	1,874,219.10
8620C- - City Loop Plan		1,209,938.00	968,732.35
8621C- - Transit Circulator Study		2,241,532.00	1,780,876.51
8623C- - DMCC Street Use Study		3,117,708.00	2,885,881.60
8624C- - ChateauTheatreBldgImprov/Purch	163,508.25		8,400,602.49
8625C- - Heart of the City	3,671,941.35	11,648,940.00	6,006,702.39
8626C- - Sn/SUsize1Av&3AvSE<4StS>1StN	2,203,748.58	8,500,000.00	7,736,049.05
8326 C - Reconst4thStSW<1stAve>6thAveSW			2,250,000.00
8628C- - Downtown Circulator Project	229.00		269,941.00
8632C- - Downtown Changes COVID-19	35,640.00		35,640.00
8702C- - RPTSolarPwrdbusFleetGrntApp			51,332.76
8703C- - FTA TOD Pilot PrgmGrntApplctn			26,057.97
8704C- - FTA Low-NoEmissions PrgGrntApl			1,140.11
8705C- - TransitCrlctr-FTAGrntBus&Facit			19,258.02
8706C- - DMCTransitCirculatorTODPlnStdy	290,307.57		447,680.44
8707C- - Rapid Transit Projects	453,578.21		453,578.21
8708C- - Transit Villages 1&2	29,321.49		29,321.49
8709C- - Arrive Rochester Implementatn	4,300.00		4,300.00
8804C- - TH 52 LID Bld GrantApplication			22,144.99
8901C- - TH 14/52 InterchangeBldGrntApp			36,330.84
8902C- - FestivalAreaStdy&ConceptDesign			84,133.27
8903C- - DedctdBikeLns-3rd/4thAve&CtrSt	803,007.72		1,035,954.17
<b>Grand Total</b>	<b>7,800,696</b>	<b>51,167,298</b>	<b>47,787,051</b>



**DESTINATION MEDICAL CENTER CORPORATION**

**RESOLUTION NO. \_\_ - 2020**

**Adopting Modification Number 2 to the Development Plan  
(West Transit Corridor)**

**BACKGROUND RECITALS**

- A. Pursuant to 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”), adopted a development plan on April 23, 2015, as amended (the “Development Plan”).
- B. The DMCC also adopted a geographic area in the City identified in the Development Plan, in which public infrastructure projects are implemented as the Destination Medical Center development district (the “Development District”).
- C. City and EDA staff recommend a modification to the Development District, set forth in Exhibit A, attached (the “Proposed Development District Modification” or “Modification Number 2”).
- D. Pursuant to Resolution 98-2020, the DMCC submitted Modification Number 2 to the City for its consideration and action.
- E. The City of Rochester Common Council approved Modification Number 2 in a Resolution passed and adopted on July 20, 2020. A copy of that Resolution is attached hereto as Exhibit B.
- F. By June 26, 2020, the DMCC made copies of Modification Number 2 available to the public at the DMCC, City, and EDA offices during normal business hours, and on the websites of the DMCC, the EDA, and the City. On August 11, 2020, the DMCC published notice of a public hearing scheduled for August 27, 2020 in the *Rochester Post-Bulletin*, the official newspaper of the City. The DMCC received written comments through August 18, 2020.
- G. In Resolutions 87- and 89-2019, the DMCC approved the public infrastructure project associated with Modification Number 2 as consistent with the Development Plan.
- H. With the benefit of input from the public, including the opportunity for written comments and public testimony, and comments from the City, EDA staff, and officials, the DMCC makes the following findings of fact and resolution.

## FINDINGS OF FACT

1. Modification Number 2 relates only to the geographic boundary of the Development District and does not otherwise amend the Development Plan. Accordingly, findings 2, 3, and 6 of the DMCC in Resolution A-2015, dated April 23, 2015 concerning the Development Plan, are hereby incorporated by reference.

2. Modification Number 2 is consistent with the Development Plan, advancing the goals and development to support the destination medical center framework.

3. Modification Number 2 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.

4. Modification Number 2 conforms to the general plan for the development of the City and is consistent with the City Comprehensive Plan.

5. In the Resolution passed and adopted on July 20, 2020, the City approved Modification Number 2.

6. On August 27, 2020 at 9:30 AM, the DMCC held a meeting and public hearing to receive public input and to consider Modification Number 2. 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 August 18, 2020.

## RESOLUTION

**NOW THEREFORE, BE IT RESOLVED** by the Destination Medical Center Corporation Board of Directors that the Proposed Development District Modification, or Modification Number 2, attached as Exhibit A hereto, is adopted.

**BE IT FURTHER RESOLVED** that the DMCC Chair, Vice Chair or Treasurer are authorized to take such other actions as are necessary and appropriate to effectuate the adoption of the Proposed Development District Modification.







**EXHIBIT B****RESOLUTION****Approval of the Destination Medical Center (DMC) Development District Boundary Modification.**

WHEREAS, on May 28, 2020, the Destination Medical Center Corporation (DMCC) Board of Directors adopted Resolution No. 98-2020 which authorized the submission to the City of a modification to the DMC Development District for the West Transit Corridor; and

WHEREAS, the City has 60 days to review and take action on the proposed DMC Development District modification pursuant to Minnesota Statutes 469.43; and



WHEREAS, the Council previously approved a Locally Preferred Alternative for a high amenity Rapid Transit Line on Broadway and 2nd Street SW which included the definition of the mode, conceptual alignment, general station locations, authorized expenditures; and

WHEREAS, the Council approved application to the Federal Transit Administration for federal funding for the Rapid Transit system; and

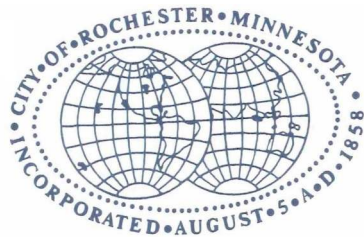
WHEREAS, the area included in the proposed DMC Development District boundary incorporates the proposed route and transit village for phase I of the Rapid Transit system.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Rochester that, pursuant to Minnesota Statutes 469.43, the City approve of the modification of the Destination Medical Center Development District Boundary as shown on the attached Exhibit A.

PASSED AND ADOPTED BY THE COMMON COUNCIL OF THE CITY OF  
ROCHESTER, MINNESOTA, THIS 20th DAY OF July, 2020.

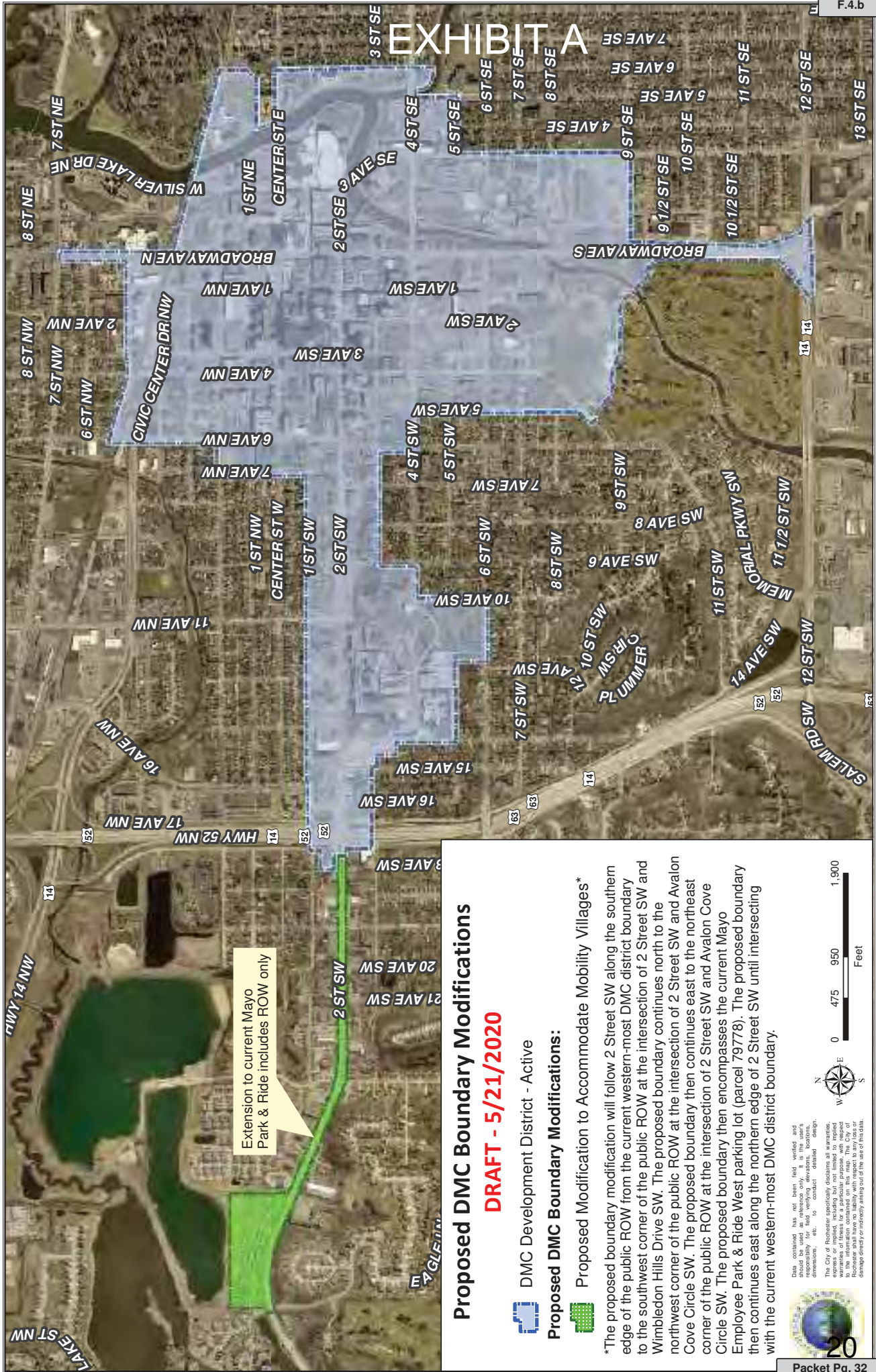
ATTEST:  CITY CLERK  
 PRESIDENT OF SAID COMMON COUNCIL

APPROVED THIS 22nd DAY OF July, 2020.



  
MAYOR OF SAID CITY

# EXHIBIT A



## Proposed DMC Boundary Modifications

**DRAFT - 5/21/2020**



DMC Development District - Active

### Proposed DMC Boundary Modifications:

Proposed Modification to Accommodate Mobility Villages\*

\*The proposed boundary modification will follow 2 Street SW along the southern edge of the public ROW from the current western-most DMC district boundary to the southwest corner of the public ROW at the intersection of 2 Street SW and Wimbledon Hills Drive SW. The proposed boundary continues north to the northwest corner of the public ROW at the intersection of 2 Street SW and Avalon Cove Circle SW. The proposed boundary then continues east to the northeast corner of the public ROW at the intersection of 2 Street SW and Avalon Cove Circle SW. The proposed boundary then encompasses the current Mayo Employee Park & Ride West parking lot (parcel 79778). The proposed boundary then continues east along the northern edge of 2 Street SW until intersecting with the current western-most DMC district boundary.

Data contained here has not been field verified and should be used as a reference only. It is the user's responsibility for field verifying elevations, locations, dimensions, etc. to conduct detailed design. The City of Roseville is not responsible for any errors or omissions, including but not limited to, typographical, graphical, or other errors. No warranty is made by the City of Roseville as to the accuracy, completeness, or reliability of the information. Roseville shall have no liability with respect to any loss or damage directly or indirectly arising out of the use of this data.





# 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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**DRAFT**

Form **990**  
(Rev. January 2020)  
Department of the Treasury  
Internal Revenue Service

# Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

OMB No. 1545-0047

**2019**

Open to Public Inspection

- ▶ Do not enter social security numbers on this form as it may be made public.  
▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

**A** For the **2019** calendar year, or tax year beginning and ending

<b>B</b> Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>C</b> Name of organization <b>DESTINATION MEDICAL CENTER CORPORATION</b>		<b>D</b> Employer identification number <b>46-4959371</b>
	Doing business as		<b>E</b> Telephone number <b>507-328-2850</b>
	Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	
	<b>201 4TH STREET SE</b>	<b>204</b>	<b>G</b> Gross receipts \$ <b>2,700,737.</b>
	City or town, state or province, country, and ZIP or foreign postal code <b>ROCHESTER, MN 55904</b>		
<b>F</b> Name and address of principal officer: <b>R.T. RYBAK</b> <b>SAME AS C ABOVE</b>		<b>H(a)</b> Is this a group return for subordinates? ..... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <b>H(b)</b> Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions) <b>H(c)</b> Group exemption number ▶	
<b>I</b> Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) ( ) ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527 <b>J</b> Website: ▶ <b>WWW.DMC.MN</b> <b>K</b> Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶ <b>L</b> Year of formation: <b>2013</b> <b>M</b> State of legal domicile: <b>MN</b>			

**Part I Summary**

<b>Activities &amp; Governance</b>	<b>1</b> Briefly describe the organization's mission or most significant activities: <b>PLANNING &amp; IMPLEMENTATION OF DESTINATION MEDICAL CENTER DEVELOPMENT IN DOWNTOWN ROCHESTER, MN.</b>		
	<b>2</b> Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	<b>3</b> Number of voting members of the governing body (Part VI, line 1a)	<b>3</b>	<b>8</b>
	<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b)	<b>4</b>	<b>8</b>
	<b>5</b> Total number of individuals employed in calendar year 2019 (Part V, line 2a)	<b>5</b>	<b>0</b>
	<b>6</b> Total number of volunteers (estimate if necessary)	<b>6</b>	<b>8</b>
	<b>7a</b> Total unrelated business revenue from Part VIII, column (C), line 12	<b>7a</b>	<b>0.</b>
<b>b</b> Net unrelated business taxable income from Form 990-T, line 39	<b>7b</b>	<b>0.</b>	
<b>Revenue</b>	<b>8</b> Contributions and grants (Part VIII, line 1h)	<b>Prior Year</b> <b>2,581,655.</b>	<b>Current Year</b> <b>2,700,723.</b>
	<b>9</b> Program service revenue (Part VIII, line 2g)	<b>0.</b>	<b>0.</b>
	<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d)	<b>14.</b>	<b>14.</b>
	<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	<b>0.</b>	<b>0.</b>
	<b>12</b> Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	<b>2,581,669.</b>	<b>2,700,737.</b>
	<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1-3)	<b>0.</b>	<b>0.</b>
<b>Expenses</b>	<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4)	<b>0.</b>	<b>0.</b>
	<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	<b>0.</b>	<b>0.</b>
	<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e)	<b>0.</b>	<b>0.</b>
	<b>b</b> Total fundraising expenses (Part IX, column (D), line 25) ▶ <b>0.</b>		
	<b>17</b> Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	<b>2,581,669.</b>	<b>2,700,737.</b>
	<b>18</b> Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	<b>2,581,669.</b>	<b>2,700,737.</b>
<b>Net Assets or Fund Balances</b>	<b>19</b> Revenue less expenses. Subtract line 18 from line 12	<b>0.</b>	<b>0.</b>
	<b>20</b> Total assets (Part X, line 16)	<b>Beginning of Current Year</b> <b>271,239.</b>	<b>End of Year</b> <b>442,153.</b>
	<b>21</b> Total liabilities (Part X, line 26)	<b>271,239.</b>	<b>442,153.</b>
	<b>22</b> Net assets or fund balances. Subtract line 21 from line 20	<b>0.</b>	<b>0.</b>

**Part II Signature Block**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

<b>Sign Here</b>	Signature of officer		Date		
	<b>JAMES V. BIER, TREASURER</b> Type or print name and title				
<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	<b>CRAIG POPENHAGEN</b>	<b>CRAIG POPENHAGEN</b>	<b>08/07/20</b>		<b>P01587689</b>
<b>Firm's name</b>	Firm's name ▶ <b>CLIFTONLARSONALLEN LLP</b>			Firm's EIN ▶ <b>41-0746749</b>	
	Firm's address ▶ <b>2689 COMMERCE DRIVE NW, SUITE 201 ROCHESTER, MN 55901</b>			Phone no. <b>507-280-2300</b>	

May the IRS discuss this return with the preparer shown above? (see instructions) ☒ Yes ☐ No

**Part III Statement of Program Service Accomplishments**Check if Schedule O contains a response or note to any line in this Part III ☒ **X****1** Briefly describe the organization's mission:

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

**2** Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If "Yes," describe these new services on Schedule O.

**3** Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O.

**4** Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses.

Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

**4a** (Code: ) (Expenses \$ 2,491,313. including grants of \$ ) (Revenue \$ )

OVERSIGHT, PREPARATION AND IMPLEMENTATION OF THE DEVELOPMENT PLAN - AN IN DEPTH STUDY OF INFRASTRUCTURE, PLANNING, AND DEVELOPMENT OPPORTUNITIES, AND FRAMEWORK TO SUPPORT THE DEVELOPMENT OF ROCHESTER AS A DESTINATION MEDICAL CENTER.

**4b** (Code: ) (Expenses \$ including grants of \$ ) (Revenue \$ )**4c** (Code: ) (Expenses \$ including grants of \$ ) (Revenue \$ )**4d** Other program services (Describe on Schedule O.)

(Expenses \$ including grants of \$ ) (Revenue \$ )

**4e** Total program service expenses **2,491,313.**Form **990** (2019)

**Part IV Checklist of Required Schedules**

	Yes	No
<b>1</b> Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	<b>1</b> X	
<b>2</b> Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ?	<b>2</b> X	
<b>3</b> Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>	<b>3</b>	X
<b>4</b> <b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>	<b>4</b>	X
<b>5</b> Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>	<b>5</b>	X
<b>6</b> Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>	<b>6</b>	X
<b>7</b> Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>	<b>7</b>	X
<b>8</b> Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>	<b>8</b>	X
<b>9</b> Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>	<b>9</b>	X
<b>10</b> Did the organization, directly or through a related organization, hold assets in donor-restricted endowments or in quasi endowments? <i>If "Yes," complete Schedule D, Part V</i>	<b>10</b>	X
<b>11</b> If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
<b>a</b> Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	<b>11a</b>	X
<b>b</b> Did the organization report an amount for investments - other securities in Part X, line 12, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>	<b>11b</b>	X
<b>c</b> Did the organization report an amount for investments - program related in Part X, line 13, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>	<b>11c</b>	X
<b>d</b> Did the organization report an amount for other assets in Part X, line 15, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>	<b>11d</b> X	
<b>e</b> Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	<b>11e</b> X	
<b>f</b> Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>	<b>11f</b>	X
<b>12a</b> Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>	<b>12a</b> X	
<b>b</b> Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i>	<b>12b</b>	X
<b>13</b> Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>	<b>13</b>	X
<b>14a</b> Did the organization maintain an office, employees, or agents outside of the United States?	<b>14a</b>	X
<b>b</b> Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>	<b>14b</b>	X
<b>15</b> Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i>	<b>15</b>	X
<b>16</b> Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i>	<b>16</b>	X
<b>17</b> Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i>	<b>17</b>	X
<b>18</b> Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>	<b>18</b>	X
<b>19</b> Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>	<b>19</b>	X
<b>20a</b> Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>	<b>20a</b>	X
<b>b</b> If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	<b>20b</b>	
<b>21</b> Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	<b>21</b>	X

**Part IV Checklist of Required Schedules** (continued)

	Yes	No
<b>22</b> Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i> .....	<b>22</b>	X
<b>23</b> Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i> .....	<b>23</b>	X
<b>24a</b> Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i> .....	<b>24a</b>	X
<b>b</b> Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? .....	<b>24b</b>	
<b>c</b> Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? .....	<b>24c</b>	
<b>d</b> Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? .....	<b>24d</b>	
<b>25a</b> <b>Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i> .....	<b>25a</b>	X
<b>b</b> Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i> .....	<b>25b</b>	X
<b>26</b> Did the organization report any amount on Part X, line 5 or 22, for receivables from or payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part II</i> .....	<b>26</b>	X
<b>27</b> Did the organization provide a grant or other assistance to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity (including an employee thereof) or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i> .....	<b>27</b>	X
<b>28</b> Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions, for applicable filing thresholds, conditions, and exceptions):		
<b>a</b> A current or former officer, director, trustee, key employee, creator or founder, or substantial contributor? <i>If "Yes," complete Schedule L, Part IV</i> .....	<b>28a</b>	X
<b>b</b> A family member of any individual described in line 28a? <i>If "Yes," complete Schedule L, Part IV</i> .....	<b>28b</b>	X
<b>c</b> A 35% controlled entity of one or more individuals and/or organizations described in lines 28a or 28b? <i>If "Yes," complete Schedule L, Part IV</i> .....	<b>28c</b>	X
<b>29</b> Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> .....	<b>29</b>	X
<b>30</b> Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i> .....	<b>30</b>	X
<b>31</b> Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i> .....	<b>31</b>	X
<b>32</b> Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i> .....	<b>32</b>	X
<b>33</b> Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i> .....	<b>33</b>	X
<b>34</b> Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i> .....	<b>34</b>	X
<b>35a</b> Did the organization have a controlled entity within the meaning of section 512(b)(13)? .....	<b>35a</b>	X
<b>b</b> If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i> .....	<b>35b</b>	
<b>36</b> <b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i> .....	<b>36</b>	X
<b>37</b> Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i> .....	<b>37</b>	X
<b>38</b> Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? <b>Note:</b> All Form 990 filers are required to complete Schedule O .....	<b>38</b>	X

**Part V Statements Regarding Other IRS Filings and Tax Compliance**Check if Schedule O contains a response or note to any line in this Part V ☐

	Yes	No
<b>1a</b> Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable .....	<b>1a</b>	2
<b>b</b> Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable .....	<b>1b</b>	0
<b>c</b> Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? .....	<b>1c</b>	



**Part V** Statements Regarding Other IRS Filings and Tax Compliance (continued)

	Yes	No
<b>2a</b> Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	0
<b>b</b> If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b	
<b>Note:</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)		
<b>3a</b> Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a	X
<b>b</b> If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation on Schedule O	3b	
<b>4a</b> At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a	X
<b>b</b> If "Yes," enter the name of the foreign country		
See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).		
<b>5a</b> Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	X
<b>b</b> Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	X
<b>c</b> If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c	
<b>6a</b> Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a	X
<b>b</b> If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b	
<b>7 Organizations that may receive deductible contributions under section 170(c).</b>		
<b>a</b> Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a	X
<b>b</b> If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	
<b>c</b> Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c	X
<b>d</b> If "Yes," indicate the number of Forms 8282 filed during the year	7d	
<b>e</b> Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e	X
<b>f</b> Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f	X
<b>g</b> If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g	
<b>h</b> If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h	
<b>8 Sponsoring organizations maintaining donor advised funds.</b> Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	8	
<b>9 Sponsoring organizations maintaining donor advised funds.</b>		
<b>a</b> Did the sponsoring organization make any taxable distributions under section 4966?	9a	
<b>b</b> Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?	9b	
<b>10 Section 501(c)(7) organizations.</b> Enter:		
<b>a</b> Initiation fees and capital contributions included on Part VIII, line 12	10a	
<b>b</b> Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b	
<b>11 Section 501(c)(12) organizations.</b> Enter:		
<b>a</b> Gross income from members or shareholders	11a	
<b>b</b> Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b	
<b>12a Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?	12a	
<b>b</b> If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b	
<b>13 Section 501(c)(29) qualified nonprofit health insurance issuers.</b>		
<b>a</b> Is the organization licensed to issue qualified health plans in more than one state?	13a	
<b>Note:</b> See the instructions for additional information the organization must report on Schedule O.		
<b>b</b> Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b	
<b>c</b> Enter the amount of reserves on hand	13c	
<b>14a</b> Did the organization receive any payments for indoor tanning services during the tax year?	14a	X
<b>b</b> If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation on Schedule O	14b	
<b>15</b> Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year?	15	X
If "Yes," see instructions and file Form 4720, Schedule N.		
<b>16</b> Is the organization an educational institution subject to the section 4968 excise tax on net investment income?	16	X
If "Yes," complete Form 4720, Schedule O.		

Form 990 (2019)

**Part VI Governance, Management, and Disclosure** For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes on Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI

☒**Section A. Governing Body and Management**

	Yes	No
<b>1a</b> Enter the number of voting members of the governing body at the end of the tax year ..... <b>1a</b> 8 If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain on Schedule O.		
<b>b</b> Enter the number of voting members included on line 1a, above, who are independent ..... <b>1b</b> 8		
<b>2</b> Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? ..... <b>2</b>		X
<b>3</b> Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, trustees, or key employees to a management company or other person? ..... <b>3</b>		X
<b>4</b> Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? ..... <b>4</b>		X
<b>5</b> Did the organization become aware during the year of a significant diversion of the organization's assets? ..... <b>5</b>		X
<b>6</b> Did the organization have members or stockholders? ..... <b>6</b>		X
<b>7a</b> Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body? ..... <b>7a</b>	X	
<b>b</b> Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? ..... <b>7b</b>	X	
<b>8</b> Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
<b>a</b> The governing body? ..... <b>8a</b>	X	
<b>b</b> Each committee with authority to act on behalf of the governing body? ..... <b>8b</b>	X	
<b>9</b> Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses on Schedule O ..... <b>9</b>		X

**Section B. Policies** (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
<b>10a</b> Did the organization have local chapters, branches, or affiliates? ..... <b>10a</b>		X
<b>b</b> If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes? ..... <b>10b</b>		
<b>11a</b> Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? ..... <b>11a</b>	X	
<b>b</b> Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
<b>12a</b> Did the organization have a written conflict of interest policy? If "No," go to line 13 ..... <b>12a</b>	X	
<b>b</b> Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? ..... <b>12b</b>	X	
<b>c</b> Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done ..... <b>12c</b>	X	
<b>13</b> Did the organization have a written whistleblower policy? ..... <b>13</b>		X
<b>14</b> Did the organization have a written document retention and destruction policy? ..... <b>14</b>		X
<b>15</b> Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
<b>a</b> The organization's CEO, Executive Director, or top management official ..... <b>15a</b>		X
<b>b</b> Other officers or key employees of the organization ..... <b>15b</b>		X
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).		
<b>16a</b> Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? ..... <b>16a</b>		X
<b>b</b> If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements? ..... <b>16b</b>		

**Section C. Disclosure**

**17** List the states with which a copy of this Form 990 is required to be filed ► **MN**

**18** Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A, if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.  
☐ Own website ☐ Another's website ☒ Upon request ☐ Other (explain on Schedule O)

**19** Describe on Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

**20** State the name, address, and telephone number of the person who possesses the organization's books and records ►  
**DALE MARTINSON - 507-328-2850**  
**201 4TH STREET SE ROOM 204, ROCHESTER, MN 55904**





**Part VIII Statement of Revenue**Check if Schedule O contains a response or note to any line in this Part VIII ☐

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512 - 514
<b>Contributions, Gifts, Grants and Other Similar Amounts</b>	<b>1 a</b> Federated campaigns .....	<b>1a</b>					
	<b>b</b> Membership dues .....	<b>1b</b>					
	<b>c</b> Fundraising events .....	<b>1c</b>					
	<b>d</b> Related organizations .....	<b>1d</b>					
	<b>e</b> Government grants (contributions) .....	<b>1e</b>	2,700,723.				
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above ...	<b>1f</b>					
	<b>g</b> Noncash contributions included in lines 1a-1f .....	<b>1g</b>	\$				
	<b>h Total.</b> Add lines 1a-1f .....						
<b>Program Service Revenue</b>			<b>Business Code</b>				
	<b>2 a</b> .....						
	<b>b</b> .....						
	<b>c</b> .....						
	<b>d</b> .....						
	<b>e</b> .....						
	<b>f</b> All other program service revenue .....						
	<b>g Total.</b> Add lines 2a-2f .....						
<b>Other Revenue</b>	<b>3</b> Investment income (including dividends, interest, and other similar amounts) .....			14.			14.
	<b>4</b> Income from investment of tax-exempt bond proceeds .....						
	<b>5</b> Royalties .....						
	<b>6 a</b> Gross rents .....	<b>6a</b>	(i) Real (ii) Personal				
	<b>b</b> Less: rental expenses ...	<b>6b</b>					
	<b>c</b> Rental income or (loss) .....	<b>6c</b>					
	<b>d</b> Net rental income or (loss) .....						
	<b>7 a</b> Gross amount from sales of assets other than inventory .....	<b>7a</b>	(i) Securities (ii) Other				
	<b>b</b> Less: cost or other basis and sales expenses .....	<b>7b</b>					
	<b>c</b> Gain or (loss) .....	<b>7c</b>					
	<b>d</b> Net gain or (loss) .....						
	<b>8 a</b> Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18 .....	<b>8a</b>					
	<b>b</b> Less: direct expenses .....	<b>8b</b>					
	<b>c</b> Net income or (loss) from fundraising events .....						
	<b>9 a</b> Gross income from gaming activities. See Part IV, line 19 .....	<b>9a</b>					
	<b>b</b> Less: direct expenses .....	<b>9b</b>					
	<b>c</b> Net income or (loss) from gaming activities .....						
	<b>10 a</b> Gross sales of inventory, less returns and allowances .....	<b>10a</b>					
<b>b</b> Less: cost of goods sold .....	<b>10b</b>						
<b>c</b> Net income or (loss) from sales of inventory .....							
<b>Miscellaneous Revenue</b>			<b>Business Code</b>				
	<b>11 a</b> .....						
	<b>b</b> .....						
	<b>c</b> .....						
	<b>d</b> All other revenue .....						
	<b>e Total.</b> Add lines 11a-11d .....						
<b>12 Total revenue.</b> See instructions .....				2,700,737.	0.	0.	14.

**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX ☐

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
<b>1</b> Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21 ...				
<b>2</b> Grants and other assistance to domestic individuals. See Part IV, line 22 .....				
<b>3</b> Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16 .....				
<b>4</b> Benefits paid to or for members .....				
<b>5</b> Compensation of current officers, directors, trustees, and key employees .....				
<b>6</b> Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) .....				
<b>7</b> Other salaries and wages .....				
<b>8</b> Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions) .....				
<b>9</b> Other employee benefits .....				
<b>10</b> Payroll taxes .....				
<b>11</b> Fees for services (nonemployees):				
<b>a</b> Management .....				
<b>b</b> Legal .....	146,785.		146,785.	
<b>c</b> Accounting .....	4,250.		4,250.	
<b>d</b> Lobbying .....				
<b>e</b> Professional fundraising services. See Part IV, line 17 .....				
<b>f</b> Investment management fees .....				
<b>g</b> Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)	10,443.		10,443.	
<b>12</b> Advertising and promotion .....				
<b>13</b> Office expenses .....				
<b>14</b> Information technology .....				
<b>15</b> Royalties .....				
<b>16</b> Occupancy .....	34,017.		34,017.	
<b>17</b> Travel .....	322.		322.	
<b>18</b> Payments of travel or entertainment expenses for any federal, state, or local public officials ...				
<b>19</b> Conferences, conventions, and meetings .....				
<b>20</b> Interest .....	998.	998.		
<b>21</b> Payments to affiliates .....				
<b>22</b> Depreciation, depletion, and amortization .....				
<b>23</b> Insurance .....	13,607.		13,607.	
<b>24</b> Other expenses. Itemize expenses not covered above (List miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
<b>a</b> <b>PROGRAM COSTS</b>	2,490,315.	2,490,315.		
<b>b</b> _____				
<b>c</b> _____				
<b>d</b> _____				
<b>e</b> All other expenses _____				
<b>25</b> <b>Total functional expenses.</b> Add lines 1 through 24e	2,700,737.	2,491,313.	209,424.	0.
<b>26</b> <b>Joint costs.</b> Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				

Check here ☐ if following SOP 98-2 (ASC 958-720)



**Part X Balance Sheet**Check if Schedule O contains a response or note to any line in this Part X ☐

		(A) Beginning of year		(B) End of year
<b>Assets</b>	<b>1</b> Cash - non-interest-bearing .....		<b>1</b>	
	<b>2</b> Savings and temporary cash investments .....	1,166.	<b>2</b>	1,148.
	<b>3</b> Pledges and grants receivable, net .....		<b>3</b>	
	<b>4</b> Accounts receivable, net .....		<b>4</b>	
	<b>5</b> Loans and other receivables from any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons .....		<b>5</b>	
	<b>6</b> Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B) .....		<b>6</b>	
	<b>7</b> Notes and loans receivable, net .....		<b>7</b>	
	<b>8</b> Inventories for sale or use .....		<b>8</b>	
	<b>9</b> Prepaid expenses and deferred charges .....	52,939.	<b>9</b>	72,177.
	<b>10a</b> Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D .....	<b>10a</b>		
	<b>b</b> Less: accumulated depreciation .....	<b>10b</b>	<b>10c</b>	
	<b>11</b> Investments - publicly traded securities .....		<b>11</b>	
	<b>12</b> Investments - other securities. See Part IV, line 11 .....		<b>12</b>	
	<b>13</b> Investments - program-related. See Part IV, line 11 .....		<b>13</b>	
	<b>14</b> Intangible assets .....		<b>14</b>	
	<b>15</b> Other assets. See Part IV, line 11 .....	217,134.	<b>15</b>	368,828.
<b>16</b> <b>Total assets.</b> Add lines 1 through 15 (must equal line 33) .....	271,239.	<b>16</b>	442,153.	
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses .....	167,300.	<b>17</b>	318,976.
	<b>18</b> Grants payable .....		<b>18</b>	
	<b>19</b> Deferred revenue .....	52,939.	<b>19</b>	72,177.
	<b>20</b> Tax-exempt bond liabilities .....		<b>20</b>	
	<b>21</b> Escrow or custodial account liability. Complete Part IV of Schedule D .....		<b>21</b>	
	<b>22</b> Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons .....		<b>22</b>	
	<b>23</b> Secured mortgages and notes payable to unrelated third parties .....		<b>23</b>	
	<b>24</b> Unsecured notes and loans payable to unrelated third parties .....		<b>24</b>	
	<b>25</b> Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D .....	51,000.	<b>25</b>	51,000.
	<b>26</b> <b>Total liabilities.</b> Add lines 17 through 25 .....	271,239.	<b>26</b>	442,153.
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow FASB ASC 958, check here</b> <input checked="" type="checkbox"/> <b>and complete lines 27, 28, 32, and 33.</b>			
	<b>27</b> Net assets without donor restrictions .....	0.	<b>27</b>	0.
	<b>28</b> Net assets with donor restrictions .....		<b>28</b>	
	<b>Organizations that do not follow FASB ASC 958, check here</b> <input type="checkbox"/> <b>and complete lines 29 through 33.</b>			
	<b>29</b> Capital stock or trust principal, or current funds .....		<b>29</b>	
	<b>30</b> Paid-in or capital surplus, or land, building, or equipment fund .....		<b>30</b>	
	<b>31</b> Retained earnings, endowment, accumulated income, or other funds .....		<b>31</b>	
	<b>32</b> Total net assets or fund balances .....	0.	<b>32</b>	0.
	<b>33</b> Total liabilities and net assets/fund balances .....	271,239.	<b>33</b>	442,153.

Form 990 (2019)

**Part XI Reconciliation of Net Assets**Check if Schedule O contains a response or note to any line in this Part XI ☐

<b>1</b>	Total revenue (must equal Part VIII, column (A), line 12)	<b>1</b>	2,700,737.
<b>2</b>	Total expenses (must equal Part IX, column (A), line 25)	<b>2</b>	2,700,737.
<b>3</b>	Revenue less expenses. Subtract line 2 from line 1	<b>3</b>	0.
<b>4</b>	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	<b>4</b>	0.
<b>5</b>	Net unrealized gains (losses) on investments	<b>5</b>	
<b>6</b>	Donated services and use of facilities	<b>6</b>	
<b>7</b>	Investment expenses	<b>7</b>	
<b>8</b>	Prior period adjustments	<b>8</b>	
<b>9</b>	Other changes in net assets or fund balances (explain on Schedule O)	<b>9</b>	0.
<b>10</b>	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	<b>10</b>	0.

**Part XII Financial Statements and Reporting**Check if Schedule O contains a response or note to any line in this Part XII ☒

	Yes	No
<b>1</b> Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
<b>2a</b> Were the organization's financial statements compiled or reviewed by an independent accountant? _____ If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		<input checked="" type="checkbox"/>
<b>b</b> Were the organization's financial statements audited by an independent accountant? _____ If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	<input checked="" type="checkbox"/>	
<b>c</b> If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? _____ If the organization changed either its oversight process or selection process during the tax year, explain on Schedule O.	<input checked="" type="checkbox"/>	
<b>3a</b> As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? _____		<input checked="" type="checkbox"/>
<b>b</b> If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why on Schedule O and describe any steps taken to undergo such audits _____		

Form 990 (2019)



Department of the Treasury  
Internal Revenue Service

► Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

# 2019

**Open to Public Inspection**

Name of the organization

DESTINATION MEDICAL CENTER CORPORATION

Employer identification number

46-4959371

<b>Part I</b>	<b>Reason for Public Charity Status</b> (All organizations must complete this part.) See instructions.
---------------	--

The organization is not a private foundation because it is: (For lines 1 through 12, check only one box.)

- ☐ 1 A church, convention, or association of churches described in **section 170(b)(1)(A)(i).**
- ☐ 2 A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E (Form 990 or 990-EZ).)
- ☐ 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- ☐ 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: \_\_\_\_\_
- ☐ 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)
- ☐ 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- ☒ 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- ☐ 8 A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- ☐ 9 An agricultural research organization described in **section 170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land-grant college of agriculture (see instructions). Enter the name, city, and state of the college or university: \_\_\_\_\_
- ☐ 10 An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)
- ☐ 11 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**
- ☐ 12 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2).** See **section 509(a)(3).** Check the box in lines 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g.
  - ☐ a **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. **You must complete Part IV, Sections A and B.**
  - ☐ b **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). **You must complete Part IV, Sections A and C.**
  - ☐ c **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**
  - ☐ d **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). **You must complete Part IV, Sections A and D, and Part V.**
  - ☐ e Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.

**f** Enter the number of supported organizations .....

**g** Provide the following information about the supported organization(s).

g Provide the following information about the supported organization(s):						
(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-10 above (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
<b>Total</b>						

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ. 932021 09-25-19 Schedule A (Form 990 or 990-EZ) 2019

13

39

08440807 131839 094-082924-00

2019.04010 DESTINATION MEDICAL CENTE 094-0821

**Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ►	(a) 2015	(b) 2016	(c) 2017	(d) 2018	(e) 2019	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") .....	3605187.	2288339.	2471264.	2581655.	2700723.	13647168.
<b>2</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf .....						
<b>3</b> The value of services or facilities furnished by a governmental unit to the organization without charge .....						
<b>4 Total.</b> Add lines 1 through 3 .....	3605187.	2288339.	2471264.	2581655.	2700723.	13647168.
<b>5</b> The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f) .....						
<b>6 Public support.</b> Subtract line 5 from line 4.						13647168.

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ►	(a) 2015	(b) 2016	(c) 2017	(d) 2018	(e) 2019	(f) Total
<b>7</b> Amounts from line 4 .....	3605187.	2288339.	2471264.	2581655.	2700723.	13647168.
<b>8</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources .....	1.	1.	6.	14.	14.	36.
<b>9</b> Net income from unrelated business activities, whether or not the business is regularly carried on .....						
<b>10</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.) .....						
<b>11 Total support.</b> Add lines 7 through 10						13647204.
<b>12</b> Gross receipts from related activities, etc. (see instructions) .....					12	
<b>13 First five years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and <b>stop here</b> .....						<input type="checkbox"/>

**Section C. Computation of Public Support Percentage**

<b>14</b> Public support percentage for 2019 (line 6, column (f) divided by line 11, column (f)) .....	<b>14</b>	100.00	%
<b>15</b> Public support percentage from 2018 Schedule A, Part II, line 14 .....	<b>15</b>		%
<b>16a 33 1/3% support test - 2019.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization .....			<input checked="" type="checkbox"/>
<b>b 33 1/3% support test - 2018.</b> If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization .....			<input type="checkbox"/>
<b>17a 10% -facts-and-circumstances test - 2019.</b> If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and <b>stop here.</b> Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization .....			<input type="checkbox"/>
<b>b 10% -facts-and-circumstances test - 2018.</b> If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and <b>stop here.</b> Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization .....			<input type="checkbox"/>
<b>18 Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions .....			<input type="checkbox"/>

Schedule A (Form 990 or 990-EZ) 2019

**Part III Support Schedule for Organizations Described in Section 509(a)(2)**

(Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ►	(a) 2015	(b) 2016	(c) 2017	(d) 2018	(e) 2019	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") .....						
<b>2</b> Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose .....						
<b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513 .....						
<b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf .....						
<b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge .....						
<b>6 Total.</b> Add lines 1 through 5 .....						
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons .....						
<b>b</b> Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year .....						
<b>c</b> Add lines 7a and 7b .....						
<b>8 Public support.</b> (Subtract line 7c from line 6.)						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ►	(a) 2015	(b) 2016	(c) 2017	(d) 2018	(e) 2019	(f) Total
<b>9</b> Amounts from line 6 .....						
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources .....						
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 .....						
<b>c</b> Add lines 10a and 10b .....						
<b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on .....						
<b>12</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.) .....						
<b>13 Total support.</b> (Add lines 9, 10c, 11, and 12.)						

**14 First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ..... ☐

**Section C. Computation of Public Support Percentage**

<b>15</b> Public support percentage for 2019 (line 8, column (f), divided by line 13, column (f)) .....	<b>15</b>	%
<b>16</b> Public support percentage from 2018 Schedule A, Part III, line 15 .....	<b>16</b>	%

**Section D. Computation of Investment Income Percentage**

<b>17</b> Investment income percentage for 2019 (line 10c, column (f), divided by line 13, column (f)) .....	<b>17</b>	%
<b>18</b> Investment income percentage from 2018 Schedule A, Part III, line 17 .....	<b>18</b>	%

**19a 33 1/3% support tests - 2019.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ..... ☐

**b 33 1/3% support tests - 2018.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ..... ☐

**20 Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ..... ☐

**Part IV Supporting Organizations**

(Complete only if you checked a box in line 12 on Part I. If you checked 12a of Part I, complete Sections A and B. If you checked 12b of Part I, complete Sections A and C. If you checked 12c of Part I, complete Sections A, D, and E. If you checked 12d of Part I, complete Sections A and D, and complete Part V.)

**Section A. All Supporting Organizations**

	Yes	No
<b>1</b> Are all of the organization's supported organizations listed by name in the organization's governing documents? <i>If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.</i>		
<b>2</b> Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? <i>If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).</i>		
<b>3a</b> Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? <i>If "Yes," answer (b) and (c) below.</i>		
<b>b</b> Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? <i>If "Yes," describe in Part VI when and how the organization made the determination.</i>		
<b>c</b> Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? <i>If "Yes," explain in Part VI what controls the organization put in place to ensure such use.</i>		
<b>4a</b> Was any supported organization not organized in the United States ("foreign supported organization")? <i>If "Yes," and if you checked 12a or 12b in Part I, answer (b) and (c) below.</i>		
<b>b</b> Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? <i>If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.</i>		
<b>c</b> Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? <i>If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.</i>		
<b>5a</b> Did the organization add, substitute, or remove any supported organizations during the tax year? <i>If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed; (ii) the reasons for each such action; (iii) the authority under the organization's organizing document authorizing such action; and (iv) how the action was accomplished (such as by amendment to the organizing document).</i>		
<b>b</b> <b>Type I or Type II only.</b> Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
<b>c</b> <b>Substitutions only.</b> Was the substitution the result of an event beyond the organization's control?		
<b>6</b> Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? <i>If "Yes," provide detail in Part VI.</i>		
<b>7</b> Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (as defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>		
<b>8</b> Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>		
<b>9a</b> Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? <i>If "Yes," provide detail in Part VI.</i>		
<b>b</b> Did one or more disqualified persons (as defined in line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? <i>If "Yes," provide detail in Part VI.</i>		
<b>c</b> Did a disqualified person (as defined in line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? <i>If "Yes," provide detail in Part VI.</i>		
<b>10a</b> Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? <i>If "Yes," answer 10b below.</i>		
<b>b</b> Did the organization have any excess business holdings in the tax year? <i>(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)</i>		

**Part IV** Supporting Organizations (continued)

	Yes	No
<b>11</b> Has the organization accepted a gift or contribution from any of the following persons?		
<b>a</b> A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization?		
<b>11a</b>		
<b>b</b> A family member of a person described in (a) above?		
<b>11b</b>		
<b>c</b> A 35% controlled entity of a person described in (a) or (b) above? If "Yes" to a, b, or c, provide detail in <b>Part VI</b> .		
<b>11c</b>		

**Section B. Type I Supporting Organizations**

	Yes	No
<b>1</b> Did the directors, trustees, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's directors or trustees at all times during the tax year? If "No," describe in <b>Part VI</b> how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove directors or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.		
<b>1</b>		
<b>2</b> Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? If "Yes," explain in <b>Part VI</b> how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.		
<b>2</b>		

**Section C. Type II Supporting Organizations**

	Yes	No
<b>1</b> Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? If "No," describe in <b>Part VI</b> how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).		
<b>1</b>		

**Section D. All Type III Supporting Organizations**

	Yes	No
<b>1</b> Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?		
<b>1</b>		
<b>2</b> Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? If "No," explain in <b>Part VI</b> how the organization maintained a close and continuous working relationship with the supported organization(s).		
<b>2</b>		
<b>3</b> By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? If "Yes," describe in <b>Part VI</b> the role the organization's supported organizations played in this regard.		
<b>3</b>		

**Section E. Type III Functionally Integrated Supporting Organizations**

<b>1</b> Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions).			
<b>a</b> <input type="checkbox"/> The organization satisfied the Activities Test. Complete <b>line 2</b> below.			
<b>b</b> <input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete <b>line 3</b> below.			
<b>c</b> <input type="checkbox"/> The organization supported a governmental entity. Describe in <b>Part VI</b> how you supported a government entity (see instructions).			
<b>2</b> Activities Test. Answer (a) and (b) below.			
<b>a</b> Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? If "Yes," then in <b>Part VI</b> identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.			
<b>2a</b>			
<b>b</b> Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? If "Yes," explain in <b>Part VI</b> the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.			
<b>2b</b>			
<b>3</b> Parent of Supported Organizations. Answer (a) and (b) below.			
<b>a</b> Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? Provide details in <b>Part VI</b> .			
<b>3a</b>			
<b>b</b> Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? If "Yes," describe in <b>Part VI</b> the role played by the organization in this regard.			
<b>3b</b>			



**Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations**

- 1 ☐ Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 (explain in Part VI). **See instructions.** All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1	Net short-term capital gain	1	
2	Recoveries of prior-year distributions	2	
3	Other gross income (see instructions)	3	
4	Add lines 1 through 3.	4	
5	Depreciation and depletion	5	
6	Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6	
7	Other expenses (see instructions)	7	
8	<b>Adjusted Net Income</b> (subtract lines 5, 6, and 7 from line 4)	8	

Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):		
a	Average monthly value of securities	1a	
b	Average monthly cash balances	1b	
c	Fair market value of other non-exempt-use assets	1c	
d	<b>Total</b> (add lines 1a, 1b, and 1c)	1d	
e	<b>Discount</b> claimed for blockage or other factors (explain in detail in <b>Part VI</b> ):		
2	Acquisition indebtedness applicable to non-exempt-use assets	2	
3	Subtract line 2 from line 1d.	3	
4	Cash deemed held for exempt use. Enter 1-1/2% of line 3 (for greater amount, see instructions).	4	
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6	Multiply line 5 by .035.	6	
7	Recoveries of prior-year distributions	7	
8	<b>Minimum Asset Amount</b> (add line 7 to line 6)	8	

Section C - Distributable Amount			Current Year
1	Adjusted net income for prior year (from Section A, line 8, Column A)	1	
2	Enter 85% of line 1.	2	
3	Minimum asset amount for prior year (from Section B, line 8, Column A)	3	
4	Enter greater of line 2 or line 3.	4	
5	Income tax imposed in prior year	5	
6	<b>Distributable Amount.</b> Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions).	6	
7	<input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions).		

Schedule A (Form 990 or 990-EZ) 2019

**Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations** (continued)

<b>Section D - Distributions</b>	<b>Current Year</b>
<b>1</b> Amounts paid to supported organizations to accomplish exempt purposes	
<b>2</b> Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
<b>3</b> Administrative expenses paid to accomplish exempt purposes of supported organizations	
<b>4</b> Amounts paid to acquire exempt-use assets	
<b>5</b> Qualified set-aside amounts (prior IRS approval required)	
<b>6</b> Other distributions (describe in <b>Part VI</b> ). See instructions.	
<b>7 Total annual distributions.</b> Add lines 1 through 6.	
<b>8</b> Distributions to attentive supported organizations to which the organization is responsive (provide details in <b>Part VI</b> ). See instructions.	
<b>9</b> Distributable amount for 2019 from Section C, line 6	
<b>10</b> Line 8 amount divided by line 9 amount	

<b>Section E - Distribution Allocations</b> (see instructions)	<b>(i) Excess Distributions</b>	<b>(ii) Underdistributions Pre-2019</b>	<b>(iii) Distributable Amount for 2019</b>
<b>1</b> Distributable amount for 2019 from Section C, line 6			
<b>2</b> Underdistributions, if any, for years prior to 2019 (reasonable cause required- explain in <b>Part VI</b> ). See instructions.			
<b>3</b> Excess distributions carryover, if any, to 2019			
<b>a</b> From 2014			
<b>b</b> From 2015			
<b>c</b> From 2016			
<b>d</b> From 2017			
<b>e</b> From 2018			
<b>f Total</b> of lines 3a through e			
<b>g</b> Applied to underdistributions of prior years			
<b>h</b> Applied to 2019 distributable amount			
<b>i</b> Carryover from 2014 not applied (see instructions)			
<b>j</b> Remainder. Subtract lines 3g, 3h, and 3i from 3f.			
<b>4</b> Distributions for 2019 from Section D, line 7: \$			
<b>a</b> Applied to underdistributions of prior years			
<b>b</b> Applied to 2019 distributable amount			
<b>c</b> Remainder. Subtract lines 4a and 4b from 4.			
<b>5</b> Remaining underdistributions for years prior to 2019, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, explain in <b>Part VI</b> . See instructions.			
<b>6</b> Remaining underdistributions for 2019. Subtract lines 3h and 4b from line 1. For result greater than zero, explain in <b>Part VI</b> . See instructions.			
<b>7 Excess distributions carryover to 2020.</b> Add lines 3j and 4c.			
<b>8</b> Breakdown of line 7:			
<b>a</b> Excess from 2015			
<b>b</b> Excess from 2016			
<b>c</b> Excess from 2017			
<b>d</b> Excess from 2018			
<b>e</b> Excess from 2019			

Schedule A (Form 990 or 990-EZ) 2019

## Part VI

**Supplemental Information.** Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; Part III, line 12; Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c; Part IV, Section B, lines 1 and 2; Part IV, Section C, line 1; Part IV, Section D, lines 2 and 3; Part IV, Section E, lines 1c, 2a, 2b, 3a, and 3b; Part V, line 1; Part V, Section B, line 1e; Part V, Section D, lines 5, 6, and 8; and Part V, Section E, lines 2, 5, and 6. Also complete this part for any additional information. (See instructions.)



**Schedule B**(Form 990, 990-EZ,  
or 990-PF)Department of the Treasury  
Internal Revenue Service**Schedule of Contributors**

- ▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.  
▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for the latest information.

OMB No. 1545-0047

**2019**

Name of the organization

DESTINATION MEDICAL CENTER CORPORATION

Employer identification number

46-4959371

Organization type (check one):

**Filers of:****Section:**

Form 990 or 990-EZ

☒ 501(c)( 3 ) (enter number) organization☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation☐ 527 political organization

Form 990-PF

☐ 501(c)(3) exempt private foundation☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation☐ 501(c)(3) taxable private foundationCheck if your organization is covered by the **General Rule** or a **Special Rule**.**Note:** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.**General Rule**

- ☐ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

**Special Rules**

- ☒ For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of **(1)** \$5,000; or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h; or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Don't complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year ..... ▶ \$ \_\_\_\_\_

**Caution:** An organization that isn't covered by the General Rule and/or the Special Rules doesn't file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it doesn't meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization	Employer identification number
DESTINATION MEDICAL CENTER CORPORATION	46-4959371

**Part I Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	CITY OF ROCHESTER 201 4TH STREET SE ROCHESTER, MN 55904	\$ 2,700,723.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization

Employer identification number

DESTINATION MEDICAL CENTER CORPORATION

46-4959371

**Part II** **Noncash Property** (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	

Name of organization	Employer identification number
DESTINATION MEDICAL CENTER CORPORATION	46-4959371

**Part III** Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of **\$1,000 or less** for the year. (Enter this info. once.) ► \$ \_\_\_\_\_

Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee

**SCHEDULE D**  
**(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Supplemental Financial Statements**

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.**  
▶ **Attach to Form 990.**

▶ **Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.**

OMB No. 1545-0047

**2019**

**Open to Public Inspection**

**Name of the organization**

DESTINATION MEDICAL CENTER CORPORATION

**Employer identification number**

46-4959371

**Part I**

**Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.**

Complete if the

organization answered "Yes" on Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year .....		
2 Aggregate value of contributions to (during year) .....		
3 Aggregate value of grants from (during year) .....		
4 Aggregate value at end of year .....		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? .....	<input type="checkbox"/> Yes	<input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? .....	<input type="checkbox"/> Yes	<input type="checkbox"/> No

**Part II**

**Conservation Easements.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).  
☐ Preservation of land for public use (for example, recreation or education) ☐ Preservation of a historically important land area  
☐ Protection of natural habitat ☐ Preservation of a certified historic structure  
☐ Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Tax Year
a Total number of conservation easements .....	2a
b Total acreage restricted by conservation easements .....	2b
c Number of conservation easements on a certified historic structure included in (a) .....	2c
d Number of conservation easements included in (c) acquired after 7/25/06, and not on a historic structure listed in the National Register .....	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ .....

4 Number of states where property subject to conservation easement is located ▶ .....

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? .....

☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶ .....

7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶ \$ .....

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? .....

☐ Yes ☐ No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

**Part III**

**Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

1a If the organization elected, as permitted under FASB ASC 958, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide in Part XIII the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under FASB ASC 958, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenue included on Form 990, Part VIII, line 1 ▶ \$ .....

(ii) Assets included in Form 990, Part X ▶ \$ .....

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under FASB ASC 958 relating to these items:

a Revenue included on Form 990, Part VIII, line 1 ▶ \$ .....

b Assets included in Form 990, Part X ▶ \$ .....

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule D (Form 990) 2019

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets** (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that make significant use of its collection items (check all that apply):

- a ☐ Public exhibition  
 b ☐ Scholarly research  
 c ☐ Preservation for future generations  
 d ☐ Loan or exchange program  
 e ☐ Other \_\_\_\_\_

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

**Part IV Escrow and Custodial Arrangements.** Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII and complete the following table:

	Amount
c Beginning balance	1c
d Additions during the year	1d
e Distributions during the year	1e
f Ending balance	1f

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII ☐

**Part V Endowment Funds.** Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a Board designated or quasi-endowment ☐ \_\_\_\_\_ %  
 b Permanent endowment ☐ \_\_\_\_\_ %  
 c Term endowment ☐ \_\_\_\_\_ %

The percentages on lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

- (i) Unrelated organizations  
 (ii) Related organizations

	Yes	No
3a(i)		
3a(ii)		
3b		

b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R? ☐

4 Describe in Part XIII the intended uses of the organization's endowment funds.

**Part VI Land, Buildings, and Equipment.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment				
e Other				

**Total.** Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.) ☐ 0.

Schedule D (Form 990) 2019

**Part VII Investments - Other Securities.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives .....		
(2) Closely held equity interests .....		
(3) Other .....		
(A) .....		
(B) .....		
(C) .....		
(D) .....		
(E) .....		
(F) .....		
(G) .....		
(H) .....		
<b>Total.</b> (Col. (b) must equal Form 990, Part X, col. (B) line 12.) ▶		

**Part VIII Investments - Program Related.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) .....		
(2) .....		
(3) .....		
(4) .....		
(5) .....		
(6) .....		
(7) .....		
(8) .....		
(9) .....		
<b>Total.</b> (Col. (b) must equal Form 990, Part X, col. (B) line 13.) ▶		

**Part IX Other Assets.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) ADVANCE TO DMC EDA	50,000.
(2) DUE FROM OTHER GOVERNMENTS	318,828.
(3) .....	
(4) .....	
(5) .....	
(6) .....	
(7) .....	
(8) .....	
(9) .....	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	368,828.

**Part X Other Liabilities.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) DUE TO OTHER GOVERNMENTS	51,000.
(3) .....	
(4) .....	
(5) .....	
(6) .....	
(7) .....	
(8) .....	
(9) .....	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	51,000.

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FASB ASC 740. Check here if the text of the footnote has been provided in Part XIII ... ☐

Schedule D (Form 990) 2019

<b>Part XI</b>	<b>Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.</b>
----------------	--

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

<b>1</b>	Total revenue, gains, and other support per audited financial statements .....	<b>1</b>	<b>2,700,737.</b>
<b>2</b>	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
<b>a</b>	Net unrealized gains (losses) on investments .....	<b>2a</b>	
<b>b</b>	Donated services and use of facilities .....	<b>2b</b>	
<b>c</b>	Recoveries of prior year grants .....	<b>2c</b>	
<b>d</b>	Other (Describe in Part XIII.) .....	<b>2d</b>	
<b>e</b>	Add lines <b>2a</b> through <b>2d</b> .....	<b>2e</b>	<b>0.</b>
<b>3</b>	Subtract line <b>2e</b> from line <b>1</b> .....	<b>3</b>	<b>2,700,737.</b>
<b>4</b>	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
<b>a</b>	Investment expenses not included on Form 990, Part VIII, line 7b .....	<b>4a</b>	
<b>b</b>	Other (Describe in Part XIII.) .....	<b>4b</b>	
<b>c</b>	Add lines <b>4a</b> and <b>4b</b> .....	<b>4c</b>	<b>0.</b>
<b>5</b>	Total revenue. Add lines <b>3</b> and <b>4c</b> . (This must equal Form 990, Part I, line 12.) .....	<b>5</b>	<b>2,700,737.</b>

Part XII	Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.		
----------	---	--	--

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

<b>1</b> Total expenses and losses per audited financial statements .....		<b>1</b>	<b>2,700,737.</b>
<b>2</b> Amounts included on line 1 but not on Form 990, Part IX, line 25:			
<b>a</b> Donated services and use of facilities .....	<b>2a</b>		
<b>b</b> Prior year adjustments .....	<b>2b</b>		
<b>c</b> Other losses .....	<b>2c</b>		
<b>d</b> Other (Describe in Part XIII.) .....	<b>2d</b>		
<b>e</b> Add lines <b>2a</b> through <b>2d</b> .....	<b>2e</b>		<b>0.</b>
<b>3</b> Subtract line <b>2e</b> from line <b>1</b> .....	<b>3</b>		<b>2,700,737.</b>
<b>4</b> Amounts included on Form 990, Part IX, line 25, but not on line 1:			
<b>a</b> Investment expenses not included on Form 990, Part VIII, line 7b .....	<b>4a</b>		
<b>b</b> Other (Describe in Part XIII.) .....	<b>4b</b>		
<b>c</b> Add lines <b>4a</b> and <b>4b</b> .....	<b>4c</b>		<b>0.</b>
<b>5</b> Total expenses. Add lines <b>3</b> and <b>4c</b> . (This must equal Form 990, Part I, line 18.) .....	<b>5</b>		<b>2,700,737.</b>

## Part XIII Supplemental Information.

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.



**SCHEDULE O**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

**Supplemental Information to Form 990 or 990-EZ**

Complete to provide information for responses to specific questions on  
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for the latest information.

OMB No. 1545-0047

**2019**

Open to Public  
Inspection

Name of the organization

DESTINATION MEDICAL CENTER CORPORATION

Employer identification number

46-4959371

FORM 990, PART III, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

AND SUPPORTING THE ECONOMIC GROWTH OF MINNESOTA AND ITS BIOSCIENCES

SECTOR.

FORM 990, PART VI, SECTION A, LINE 7A:

THE GOVERNING DOCUMENTS PROVIDE THAT THE FILING ORGANIZATION'S BOARD OF  
DIRECTORS ARE APPOINTED AS FOLLOWS:

"THE MAYOR OF ROCHESTER, MN (OR DESIGNEE) SUBJECT TO APPROVAL BY THE CITY  
COUNCIL.

"THE CITY COUNCIL PRESIDENT, (OR DESIGNEE) SUBJECT TO APPROVAL BY THE CITY  
COUNCIL.

"THE CHAIR OR ANOTHER MEMBER OF THE COUNTY BOARD OF OLMTED COUNTY,  
APPOINTED BY THE COUNTY BOARD.

"A REPRESENTATIVE OF MAYO CLINIC APPOINTED BY MAYO CLINIC

"FOUR DIRECTORS APPOINTED BY THE GOVERNOR OF MINNESOTA, SUBJECT TO  
CONFIRMATION BY THE MINNESOTA SENATE.

FORM 990, PART VI, SECTION A, LINE 7B:

THE GOVERNING DOCUMENTS PROVIDE THAT THE FILING ORGANIZATION CAN AMEND THE  
ARTICLES OF INCORPORATION SUBJECT TO APPROVAL BY THE CITY OF ROCHESTER,  
MINNESOTA. THE CITY OF ROCHESTER, MINNESOTA ALSO HAS RIGHTS AND POWERS OF  
APPROVAL RELATED TO THE FILING ORGANIZATION'S ANNUAL BUDGET/FUNDING REQUEST  
AND INCURRENCE OF LONG-TERM DEBT.

FORM 990, PART VI, SECTION B, LINE 11B:

THE 990 WILL BE PRESENTED AT A BOARD MEETING PRIOR TO FILING.

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule O (Form 990 or 990-EZ) (2019)

Name of the organization

DESTINATION MEDICAL CENTER CORPORATION

Employer identification number

46-4959371

FORM 990, PART VI, SECTION B, LINE 12C:

THE DMCC HAS A WRITTEN CONFLICT OF INTEREST POLICY. IN ADDITION, THE DMCC DIRECTORS ARE PUBLIC OFFICIALS UNDER MINNESOTA STATUTES SECTION 10A.01, SUBD. 35. SEE MINN. STAT. SECTION 469.41, SUBD. 10. PUBLIC OFFICIALS ARE SUBJECT TO STATUTORY CONFLICT OF INTEREST REQUIREMENTS. MINN. STAT. SECTION 10A.07.

FORM 990, PART VI, SECTION B, LINE 15:

DESTINATION MEDICAL CENTER CORPORATION DOES NOT HAVE ANY EMPLOYEES.

FORM 990, PART VI, SECTION C, LINE 19:

THE DESTINATION MEDICAL CENTER CORPORATION IS SUBJECT TO THE MINNESOTA GOVERNMENT DATA PRACTICES ACT AND OPEN MEETING LAW, AND THEREFORE MAKES ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS AVAILABLE UPON REQUEST.

FORM 990, PART XII, LINE 2C

THE CORPORATION'S BOARD OF DIRECTORS ASSUMES RESPONSIBILITY FOR OVERSIGHT OF THE AUDIT OF ITS FINANCIAL STATEMENTS AND THE SELECTION OF ITS INDEPENDENT ACCOUNTANT.

**SCHEDULE R  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Related Organizations and Unrelated Partnerships**

- Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.  
► Attach to Form 990.

► Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

**2019**

**Open to Public  
Inspection**

Name of the organization

**DESTINATION MEDICAL CENTER CORPORATION**

**Employer identification number**  
**46-4959371**

**Part I Identification of Disregarded Entities.** Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

**Part II Identification of Related Tax-Exempt Organizations.** Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related tax-exempt organizations during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
DESTINATION MEDICAL CENTER ECONOMIC DEVELOPMENT AGENCY - 46-4893585, 200 1ST STREET SW, ROCHESTER, MN 55905	PROVIDE SERVICES TO THE DMCC	MINNESOTA	501(C)(3)	LINE 12A, I	N/A		X

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule R (Form 990) 2019



**Part V Transactions With Related Organizations.** Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.**Note:** Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

	Yes	No
<b>1</b> During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?		
<b>a</b> Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity .....		X
<b>b</b> Gift, grant, or capital contribution to related organization(s) .....		X
<b>c</b> Gift, grant, or capital contribution from related organization(s) .....		X
<b>d</b> Loans or loan guarantees to or for related organization(s) .....	X	
<b>e</b> Loans or loan guarantees by related organization(s) .....		X
<b>f</b> Dividends from related organization(s) .....		X
<b>g</b> Sale of assets to related organization(s) .....		X
<b>h</b> Purchase of assets from related organization(s) .....		X
<b>i</b> Exchange of assets with related organization(s) .....		X
<b>j</b> Lease of facilities, equipment, or other assets to related organization(s) .....		X
<b>k</b> Lease of facilities, equipment, or other assets from related organization(s) .....		X
<b>l</b> Performance of services or membership or fundraising solicitations for related organization(s) .....		X
<b>m</b> Performance of services or membership or fundraising solicitations by related organization(s) .....	X	
<b>n</b> Sharing of facilities, equipment, mailing lists, or other assets with related organization(s) .....		X
<b>o</b> Sharing of paid employees with related organization(s) .....		X
<b>p</b> Reimbursement paid to related organization(s) for expenses .....	X	
<b>q</b> Reimbursement paid by related organization(s) for expenses .....		X
<b>r</b> Other transfer of cash or property to related organization(s) .....		X
<b>s</b> Other transfer of cash or property from related organization(s) .....		X
<b>2</b> If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.		

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) NO TRANSACTIONS GREATER THAN \$50,000.		0.	
(2)			
(3)			
(4)			
(5)			
(6)			

**Part VI** **Unrelated Organizations Taxable as a Partnership.** Complete if the organization answered "Yes" on Form 990, Part IV, line 37.

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

[illegible]

Provide additional information for responses to questions on Schedule R. See instructions.

**Application for Automatic Extension of Time To File an  
Exempt Organization Return**

OMB No. 1545-0047

► **File a separate application for each return.**  
► **Go to [www.irs.gov/Form8868](http://www.irs.gov/Form8868) for the latest information.**

**Electronic filing (e-file).** You can electronically file Form 8868 to request a 6-month automatic extension of time to file any of the forms listed below with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, for which an extension request must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit [www.irs.gov/e-file-providers/e-file-for-charities-and-non-profits](http://www.irs.gov/e-file-providers/e-file-for-charities-and-non-profits).

**Automatic 6-Month Extension of Time.** Only submit original (no copies needed).

All corporations required to file an income tax return other than Form 990-T (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

<b>Type or print</b>  File by the due date for filing your return. See instructions.	Name of exempt organization or other filer, see instructions.  <b>DESTINATION MEDICAL CENTER CORPORATION</b>	Taxpayer identification number (TIN)  <b>46-4959371</b>
	Number, street, and room or suite no. If a P.O. box, see instructions. <b>201 4TH STREET SE, NO. 204</b>	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <b>ROCHESTER, MN 55904</b>	

Enter the Return Code for the return that this application is for (file a separate application for each return) 

0	1
---	---

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

**DALE MARTINSON**

- The books are in the care of ► **201 4TH STREET SE ROOM 204 - ROCHESTER, MN 55904**  
Telephone No. ► **507-328-2850** Fax No. ► **507-328-2876**

- If the organization does not have an office or place of business in the United States, check this box ☐   
• If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ☐ . If this is for the whole group, check this box ☐ . If it is for part of the group, check this box ☐ and attach a list with the names and TINs of all members the extension is for.

- 1 I request an automatic 6-month extension of time until **NOVEMBER 16, 2020**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:  
► ☒ calendar year **2019** or  
► ☐ tax year beginning \_\_\_\_\_, and ending \_\_\_\_\_.

- 2 If the tax year entered in line 1 is for less than 12 months, check reason: ☐ Initial return ☐ Final return  
☐ Change in accounting period

<b>3a</b> If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	<b>3a</b>	\$	<b>0.</b>
<b>b</b> If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	<b>3b</b>	\$	<b>0.</b>
<b>c Balance due.</b> Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	<b>3c</b>	\$	<b>0.</b>

**Caution:** If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.



**Mail To:**

Minnesota Attorney General's Office  
Charities Division  
445 Minnesota Street, Suite 1200  
St. Paul, MN 55101-2130

**STATE OF MINNESOTA****CHARITABLE ORGANIZATION  
ANNUAL REPORT FORM****C2****Website Address:**

[www.ag.state.mn.us/charity](http://www.ag.state.mn.us/charity)

(Pursuant to Minn. Stat. ch. 309)

**SECTION A: Organization Information**

**Legal Name of Organization** DESTINATION MEDICAL CENTER CORPORATION

**Federal EIN:** 46-4959371

**Fiscal Year-End:** 12312019

mm/dd/yyyy

Did the organization's fiscal year-end change? ☐ Yes ☒ No

<b>Mailing Address:</b> <b>DALE MARTINSON</b> <hr/> Contact Person <b>201 4TH STREET SE, NO. 204</b> <hr/> Street Address <b>ROCHESTER, MN 55904</b> <hr/> City, State, and ZIP Code <b>507-328-2850</b> <hr/> Phone Number <b>DMARTINSON@ROCHESTERMN.GOV</b> <hr/> Email Address	<b>Physical Address:</b> <b>DALE MARTINSON</b> <hr/> Contact Person <b>201 4TH STREET SE, NO. 204</b> <hr/> Street Address <b>ROCHESTER, MN 55904</b> <hr/> City, State, and ZIP Code <b>507-328-2850</b> <hr/> Phone Number <b>DMARTINSON@ROCHESTERMN.GOV</b> <hr/> Email Address
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1. Organization's website: WWW.DMC.MN

2. List all of the organization's alternate and former names (attach list if more space is needed).

☐ Alternate ☐ Former  
☐ Alternate ☐ Former

3. List all names under which the organization solicits contributions (attach list if more space is needed).

DESTINATION MEDICAL CENTER CORPORATION

4. Is the organization incorporated pursuant to Minn. Stat. ch. 317A? ☒ Yes ☐ No

5. Total amount of contributions the organization received from Minnesota donors: \$ 2,700,723.

6. Has the organization's tax-exempt status with the IRS changed?

☐ Yes ☒ No If yes, attach explanation.

7. Has the organization significantly changed its purpose(s) or program(s)?

☐ Yes ☒ No If yes, attach explanation.

**CHARITABLE ORGANIZATION ANNUAL REPORT FORM**  
**(Continued)**

8. Has the organization been denied the right to solicit contributions by any court or government agency?

☐ Yes ☒ No If yes, attach explanation.

9. Does the organization use the services of a professional fundraiser (outside solicitor or consultant) to solicit contributions in Minnesota? ☐ Yes ☒ No

If yes, provide the following information for each (attach list if more space is needed):

Name of Professional Fundraiser

Compensation

Street Address

City, State, and ZIP Code

10. Is the organization a food shelf? ☐ Yes ☒ No

If yes, is the organization required to file an audit? ☐ Yes, audit attached ☐ No

**Note:** An organization that has total revenue of more than \$750,000 is required to file an audit prepared in accordance with generally accepted accounting principles by an independent CPA or LPA. The value of donated food to a nonprofit food shelf may be excluded from the total revenue if the food is donated for subsequent distribution at no charge and is not resold.

11. Do any directors, officers, or employees of the organization or its related organization(s) receive total compensation\* of more than \$100,000? ☐ Yes ☒ No

If yes, provide the following information for the five highest paid individuals:

Name and title	Compensation*	Other compensation

\*Compensation is defined as the total amount reported on Form W-2 (Box 5) or Form 1099-MISC (Box 7) issued by the organization and its related organizations to the individual. See Minn. Stat. § 309.53, subd. 3(i) and Minn. Stat. § 317A.011 for definitions.

**CHARITABLE ORGANIZATION ANNUAL REPORT FORM**  
(Continued)

**SECTION B: Financial Information**

This section must be completed by organizations that file an IRS Form 990-EZ, 990-PF, or 990-N.

Organizations that file an IRS Form 990 may skip Section B and go directly to Section C.

**INCOME**

1. Contributions Received	\$ _____	1
2. Government Grants	\$ _____	2
3. Program Service Revenue	\$ _____	3
4. Other Revenue	\$ _____	4
<b>5. TOTAL INCOME</b>	<b>\$ _____</b>	<b>5</b>

**EXPENSES**

6. Program Expenses	\$ _____	6
7. Management & General Expenses	\$ _____	7
8. Fund-raising Expenses	\$ _____	8
<b>9. TOTAL EXPENSES</b>	<b>\$ _____</b>	<b>9</b>
<b>10. EXCESS or DEFICIT</b>	<b>\$ _____</b>	<b>10</b>

(Line 5 minus Line 9)

**ASSETS**

11. Cash	\$ _____	11
12. Land, Buildings & Equipment	\$ _____	12
13. Other Assets	\$ _____	13
<b>14. TOTAL ASSETS</b>	<b>\$ _____</b>	<b>14</b>

**LIABILITIES**

15. Accounts Payable	\$ _____	15
16. Grants Payable	\$ _____	16
17. Other Liabilities	\$ _____	17
<b>18. TOTAL LIABILITIES</b>	<b>\$ _____</b>	<b>18</b>

**FUND BALANCE/NET WORTH**

\$ \_\_\_\_\_

(Line 14 minus Line 18)

**CHARITABLE ORGANIZATION ANNUAL REPORT FORM**  
(Continued)

**Section B (continued): Statement of Functional Expenses**

This expense statement must be prepared in accordance with generally accepted accounting principles. Each column must be completed, and Columns B, C, and D must equal Column A. The amount on Line 25, Column A must match Line 17 of IRS Form 990-EZ or Line 26 of IRS Form 990-PF.

	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
<b>1.</b> Grants and other assistance to governments and organizations in the U.S.				
<b>2.</b> Grants and other assistance to individuals in the U.S.				
<b>3.</b> Grants and other assistance to governments, organizations, and individuals outside the U.S.				
<b>4.</b> Benefits paid to or for members				
<b>5.</b> Compensation of current officers, directors, trustees, and key employees				
<b>6.</b> Compensation not included above, to disqualified persons (as defined under section 4958(f)(1) and persons described in section 4958(c)(3)(B))				
<b>7.</b> Other salaries and wages				
<b>8.</b> Pension plan contributions (include section 401(k) and section 403(b) employer contributions)				
<b>9.</b> Other employee benefits				
<b>10.</b> Payroll taxes				
<b>11.</b> Fees for services (non-employees):				
<b>a.</b> Management				
<b>b.</b> Legal				
<b>c.</b> Accounting				
<b>d.</b> Lobbying				
<b>e.</b> Professional fundraising services				
<b>f.</b> Investment management fees				
<b>g.</b> Other				
<b>12.</b> Advertising and promotion				
<b>13.</b> Office expenses				
<b>14.</b> Information technology				
<b>15.</b> Royalties				
<b>16.</b> Occupancy				
<b>17.</b> Travel				
<b>18.</b> Payments of travel or entertainment expenses for any federal, state, or local public officials				
<b>19.</b> Conferences, conventions, and meetings				
<b>20.</b> Interest				
<b>21.</b> Payments to affiliates				
<b>22.</b> Depreciation, depletion, and amortization				
<b>23.</b> Insurance				
<b>24.</b> Other expenses. Itemize expenses not covered above. Expenses labeled miscellaneous may not exceed 5% of total expenses (Line 25).				
<b>a.</b>				
<b>b.</b>				
<b>c.</b>				
<b>d.</b>				
<b>25. Total functional expenses.</b> Add lines 1 through 24d				
<b>26. Joint costs.</b> Check here <input type="checkbox"/> if following SOP 98-2. Complete this line only if the organization reported in Column B joint costs from a combined educational campaign and fundraising solicitation				

**CHARITABLE ORGANIZATION ANNUAL REPORT FORM**  
(Continued)

**Section C: Board of Directors Signatures and Acknowledgment**

The form must be executed pursuant to a resolution of the board of directors, trustees, or managing group and must be signed by two officers of the organization. See Minn. Stat. § 309.52, subd. 3.

We, the undersigned, state and acknowledge that we are duly constituted officers of this organization, being the

TREASURER (Title) and CHAIR (Title) respectively, and

that we execute this document on behalf of the organization pursuant to the resolution of the

BOARD OF DIRECTORS (Board of Directors, Trustees, or Managing Group) adopted on the \_\_\_\_\_

day of \_\_\_\_\_, 20\_\_\_\_, approving the contents of the document, and do hereby certify that the

BOARD OF DIRECTORS (Board of Directors, Trustees, or Managing Group) has assumed, and will continue

to assume, responsibility for determining matters of policy, and have supervised, and will continue to supervise, the operations and finances of the

organization. We further state that the information supplied is true, correct and complete to the best of our knowledge.

JAMES V. BIER

Name (Print)

\_\_\_\_\_  
Signature

TREASURER

Title

\_\_\_\_\_  
Date

R.T. RYBAK

Name (Print)

\_\_\_\_\_  
Signature

CHAIR

Title

\_\_\_\_\_  
Date

**DESTINATION MEDICAL CENTER CORPORATION****RESOLUTION NO. \_\_\_\_-2020****Approving the 2020 State of Minnesota Charitable  
Organization Annual Report and 2019 Form 990****BACKGROUND RECITALS**

A. On behalf of the Destination Medical Center Corporation (“DMCC”), CliftonLarsonAllen (“CLA”) prepared the 2020 State of Minnesota Charitable Organization Annual Report (the “Annual Report”) and 2019 Form 990 (the “Form 990”) and is recommending that the DMCC approve both items.

B. The Annual Report and Form 990 were presented to the DMCC on August 27, 2020, and are on file with the DMCC.

**RESOLUTION**

**NOW, THEREFORE, BE IT RESOLVED**, by the Destination Medical Center Corporation, that the 2020 State of Minnesota Charitable Organization Annual Report and 2019 Form 990 are approved.

**BE IT FURTHER RESOLVED**, that the Board authorizes the Chair or Treasurer to take any action or make any amendments necessary and to file the Annual Report and Form 990.



## Development Plan Five Year Update

To: DMCC Board of Directors  
From: DMC Economic Development Agency  
Date: August 21, 2020



### Request of the DMCC board of directors:

- Provide feedback on the draft five-year update to the DMC development plan.  
Update to the DMC development plan:
  - Document look and feel
  - Content outline
  - Strategy for COVID-19 impact analysis
  - Policy considerations

### Background:

The process to update the DMC Development Plan began in July 2019, with the following direction from DMCC board of directors:

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

Catherine Malmberg, an affiliate member of the Minnesota Design Center, was retained to lead the update process, under the direction of DMC EDA staff. Input was received from regional economic development and planning partners. In addition to the 2015 DMC Development Plan, all subsequent and related plans were reviewed, such as the Integrated Transportation Studies, Heart of the City design, Graham Park masterplan, DMC Design Guidelines, and City Comprehensive Plan.

Three firms were retained to assist with data collection and analysis:

- AECOM: to measure progress against the targets established for Phase I
- Urban 3: to illustrate the relative advantage of dense urban development on cost of government services
- HR&A: to develop economic impact scenarios for COVID 19.

### Approvals, milestones, and decision points:



**DESTINATION MEDICAL CENTER CORPORATION**

**RESOLUTION NO. \_\_\_\_-2020**

**Authorizing Submission of a Modification to the Development Plan to the City of Rochester  
(Five-Year Update)**

**BACKGROUND RECITALS**

A. The Destination Medical Center Corporation (“DMCC”) adopted a development plan (the “Development Plan”) on April 23, 2015, as amended, to guide the implementation of the destination medical center (“DMC”) initiative in Rochester, Minnesota.

B. By statute, the DMCC may modify the Development Plan at any time, and must update the Development Plan not less than every five years. Pursuant to Minnesota Statutes Section 469.43, subdivision 4, a modification or update must be adopted by the DMCC upon the notice and after the public hearing and findings required for the original adoption of the Development Plan, including approval by the City of Rochester (the “City”).

C. The Destination Medical Center Economic Development Agency (“EDA”), along with City staff, have completed their analysis and examination of the current Development Plan, and are now recommending an update to the Development Plan (the “Five-Year Update to the Development Plan”), attached as Exhibit A, and on file with the City and EDA offices, for consideration and adoption by the DMCC and City.

D. The DMCC must hold a public hearing before modifying the Development Plan. At least sixty days before the hearing, the DMCC must make copies of the proposed modifications 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 as otherwise determined by the DMCC. At least ten days before the hearing, the DMCC must publish notice of the hearing in the official newspaper of the City. The DMCC may modify the Development Plan upon its finding that the elements of the statute have been satisfied, and upon approval of the modification by the City.

E. The City must act on the Five-Year Update to the Development Plan within sixty days following its submission by the DMCC.

## RESOLUTION

**NOW THEREFORE, BE IT RESOLVED** by the Destination Medical Center Corporation Board of Directors that the Five-Year Update to the Development Plan, dated as of August 27, 2020, and on file with the DMCC is hereby submitted to the City of Rochester for its review and action within 60 days.

**BE IT FURTHER RESOLVED** that the DMCC Chair and Vice Chair are authorized:

(1) to make copies of the Five-Year Update to the Development Plan available to the public at the DMCC and City offices during normal business hours, on the DMCC's website, on the City's website, and as otherwise appropriate;

(2) to determine the date, time, and place to hold the public hearing for testimony from the public concerning the Five-Year Update to the Development Plan; and

(3) to take such actions as are necessary and appropriate to effectuate the submission of the Five-Year Update to the Development Plan and the timely progression of the approval process.

**Exhibit A**

**Forward: Creating Rochester's Tomorrow**

**Destination Medical Center Development Plan**

**2020 Update**

## 2021 DMCC Funding Request

To: DMCC Board of Directors

From: DMC EDA Staff

Date: August 21, 2020

### **Request of the DMCC board of directors:**

- Approve the 2021 DMCC funding request

### **Background:**

Each year, the DMC Corp. must submit a funding request to the City of Rochester. The funding request includes a proposed:

- Capital Improvement Program
- DMC EDA and City of Rochester DMC Project Management workplan and operating budget
- DMCC operating budget
- Request for the extension of the working capital loans

In April and May 2020, the members of the DMC EDA and DMC Corp. boards volunteered to advise DMC EDA and City staff in the creation of the funding request.

In August 2020, the DMC EDA and City staff conferred with the board volunteers to refine the funding request.

### **Next Steps:**

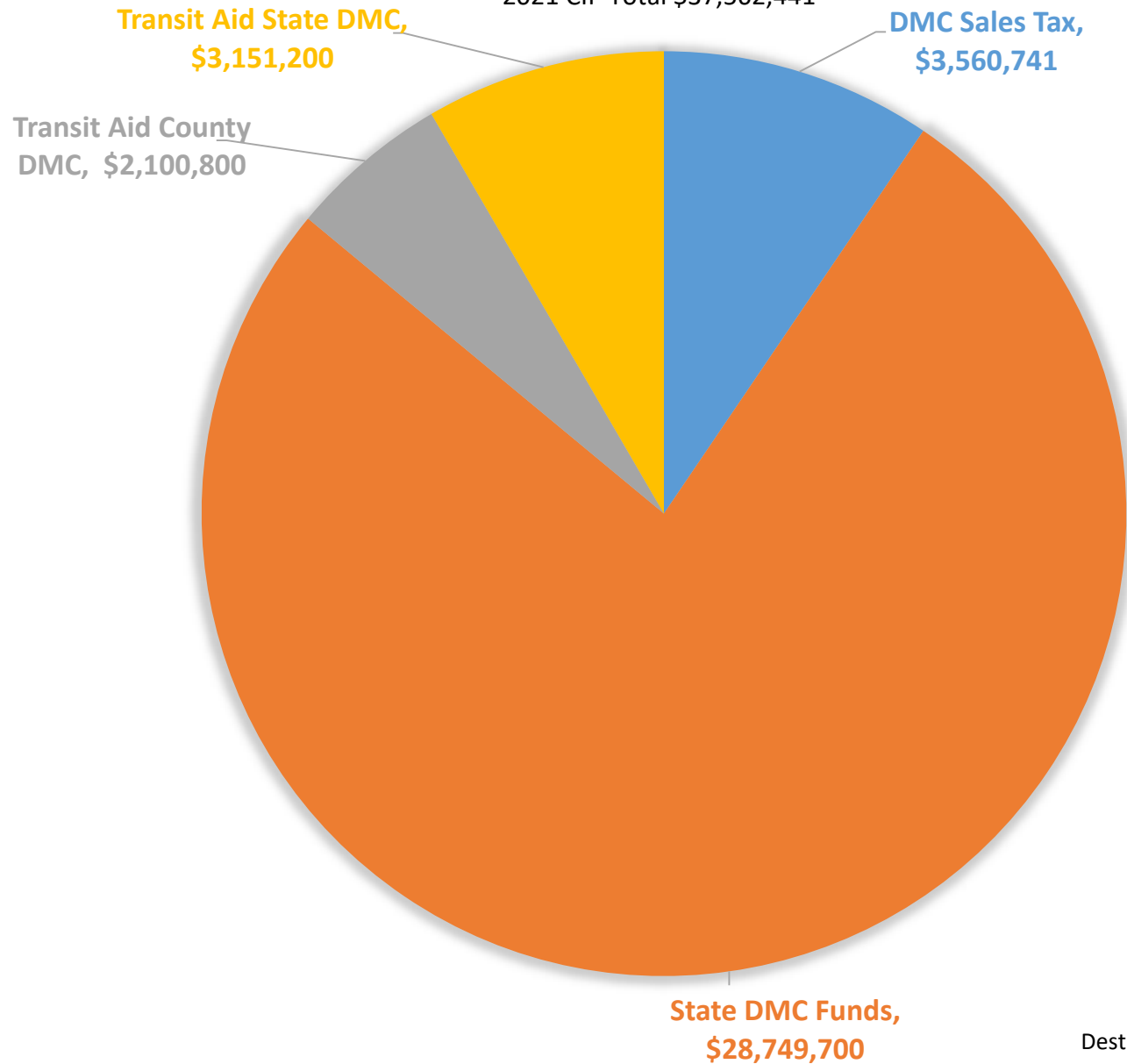
- September 2020: Rochester City Council considers 2021 DMCC funding request



## 2021 CAPITAL IMPROVEMENT PLAN

Sources of DMC Funds (\$585 Million)

2021 CIP Total \$37,562,441



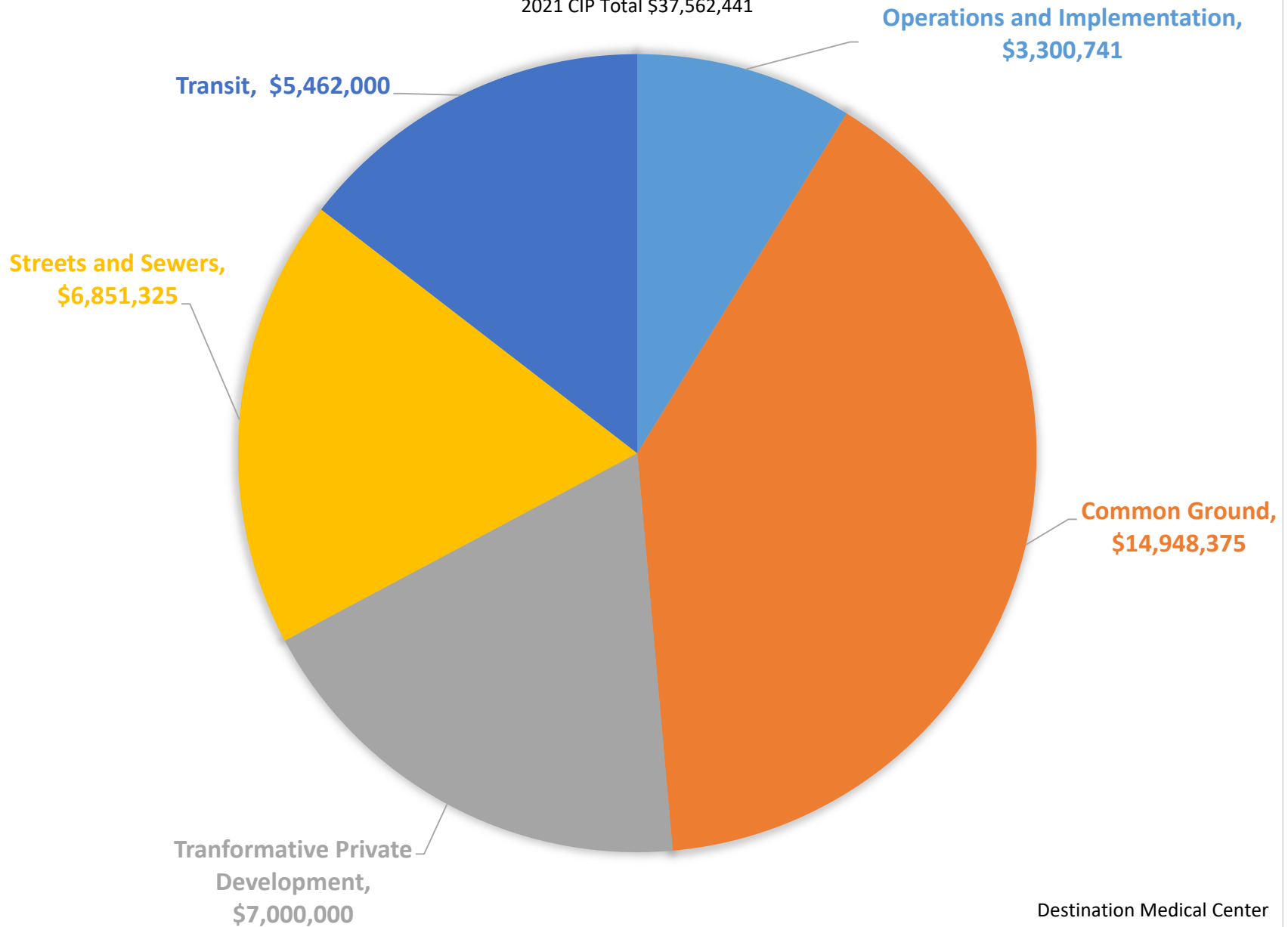
Destination Medical Center



## 2021 CAPITAL IMPROVEMENT PLAN

Uses of DMC Funds (\$585 Million)

2021 CIP Total \$37,562,441



Destination Medical Center  
FIVE YEAR CAPITAL PLAN  
2021-2026

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		\$948,375						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

DMC Sales Tax	\$3,560,741
State DMC Funds	\$28,749,700
Transit Aid County DMC	\$2,100,800
Transit Aid State DMC	\$3,151,200
<b>Total 2021 DMC Investment</b>	<b>\$37,562,441</b>

Operations and Implementation SUBTOTAL	\$3,300,741
Common Ground SUBTOTAL	\$14,948,375
Transformative Private Development SUBTOTAL	\$7,000,000
Streets and Sewers SUBTOTAL	\$6,851,325

Destination Medical Center  
**FIVE YEAR CAPITAL PLAN**  
 2021-2026

Operations and Implementation										
#	Project Description	Proj #	2021	2022	2023	2024	2025	2026	2021 DMC Source	2021 Additional Non-DMC Funding Sources
	Transit SUBTOTAL		\$5,462,000							
			37562441							



## Destination Medical Center Corporation Expenses

Department: City Administration

CIP Business Unit: 8600

Division: City Administration

Project Number: 8602

Contact Person: Noloan L Schild

Location: Destination Medical Center

Project Category: Destination Medical Center

Department Priority: 0

Ward: NA

**Project Description:**

Contributions to the Destination Medical Center Corporation (DMCC) for DMCC expenses.

**Purpose, Justification & Benefits:**

To support the efforts of the DMCC on Destination Medical Center (DMC) activities.

What is the grant status for the project?: Not Applicable

**Foundation Principles Supported:**

Fiscal Responsibility &amp; Sustainability

**Strategic Priorities Supported:**

Foster a Team-Oriented Culture

**Department Funding Request:**

Anticipated Funding Source	2021	2022	2023	2024	2025	2026	Total Current 6 Yrs
Sales Tax DMC	268,750	276,813	285,117	293,670	302,480	311,555	1,738,385
Funding Request Row Total:	268,750	276,813	285,117	293,670	302,480	311,555	1,738,385

**Project Cost Breakdown:**

Major Expense Category	2021	2022	2023	2024	2025	2026	Total Current 6 Yrs
Overhead	268,750	276,813	285,117	293,670	302,480	311,555	1,738,385
Project Cost Breakdown Row Total:	268,750	276,813	285,117	293,670	302,480	311,555	1,738,385

**Describe how this project implements recommendations from other plans adopted by the City and related groups:**

DMC projects support the DMC Development Plan and take into consideration other City plans such as the comprehensive plan, bicycle master plan, park master plan, etc.

**Operations & Capital Asset Maintenance:**

Is this request for new or existing infrastructure: Existing

What is the expected useful life of the project/improvement (in years): 1

What is the estimated annual operating cost increase (Decrease) for this project (\$): 0

**Describe how operating cost increases/Decreases and include details such as personnel costs, materials, contracts, energy savings, etc.:**

The amount being budgeted for 2020 is a decrease from the prior year (2019) of approximately \$74,000.

**If new infrastructure, discuss how the department will pay for the increased annual operating costs:**



## Destination Medical Center Corporation EDA Expenses

Department: City Administration

CIP Business Unit: 8600

Division: City Administration

Project Number: 8602

Contact Person: Noloan L Schild

Location: Destination Medical Center

Project Category: Destination Medical Center

Department Priority: 0

Ward: NA

**Project Description:**

Contributions to the Destination Medical Center (DMC) Economic Development Authority (EDA) for expenses incurred to implement the work plan of the Destination Medical Center Corporation (DMCC).

**Purpose, Justification & Benefits:**

To support the efforts of the DMC EDA on DMC activities.

What is the grant status for the project?: Not Applicable

**Foundation Principles Supported:**

Fiscal Responsibility &amp; Sustainability

**Strategic Priorities Supported:**

Enhance Quality of Life, Foster a Team-Oriented Culture, Manage Growth and Development, Balance Public Infrastructure Investment

**Department Funding Request:**

Anticipated Funding Source	2021	2022	2023	2024	2025	2026	Total Current 6 Yrs
Sales Tax DMC	2,235,776	2,302,849	2,371,935	2,443,093	2,516,389	2,591,877	14,461,916
<b>Funding Request Row Total:</b>	2,235,776	2,302,849	2,371,935	2,443,093	2,516,389	2,591,877	14,461,916

### Project Cost Breakdown

Major Expense Category	2021	2022	2023	2024	2025	2026	Total Current 6 Yrs
Overhead	2,235,776	2,302,849	2,371,935	2,443,093	2,516,389	2,591,877	14,461,916
<b>Project Cost Breakdown Row Total:</b>	2,235,776	2,302,849	2,371,935	2,443,093	2,516,389	2,591,877	14,461,916

**Describe how this project implements recommendations from other plans adopted by the City and related groups:**

DMC projects support the DMC Development Plan and take into consideration other City plans such as the comprehensive plan, bicycle master plan, park master plan, etc.

**Operations & Capital Asset Maintenance:**

Is this request for new or existing infrastructure: Existing

What is the expected useful life of the project/improvement (in years): 1

What is the estimated annual operating cost increase (Decrease) for this project (\$): 0

**Describe how operating cost increases/Decreases and include details such as personnel costs, materials, contracts, energy savings, etc.:**

The amount being budgeted for in 2020 is approximately \$70,000 higher than the prior year (2019) budget amount.

**If new infrastructure, discuss how the department will pay for the increased annual operating costs:**





## City DMC Project Management

Department: City Administration

CIP Business Unit: 8600

Division: City Administration

Project Number: 8614

Contact Person: Noloan L Schild

Location: Destination Medical Center

Project Category: Destination Medical Center

Department Priority: 0

Ward: NA

**Project Description:**

This budget amount will cover the salary and benefits associated to the City's Project Management team that is dedicated to Destination Medical Center (DMC) project delivery. This replaces funds previously expended for contracted services with a consulting firm.

**Purpose, Justification & Benefits:**

Formal project management is necessary on DMC projects to help ensure various aspects of the projects that included, but are not limited to program administration, construction administration, planning, analysis, contract management, compliance, milestone monitoring and budget monitoring.

What is the grant status for the project?: Not Applicable

**Foundation Principles Supported:**

Fiscal Responsibility &amp; Sustainability

**Strategic Priorities Supported:**

Foster a Team-Oriented Culture, Manage Growth and Development

**Department Funding Request:**

Anticipated Funding Source	2021	2022	2023	2024	2025	2026	Total Current 6 Yrs
Sales Tax DMC	696,215	713,620	731,461	749,747	768,491	787,703	4,447,237
Funding Request Row Total:	696,215	713,620	731,461	749,747	768,491	787,703	4,447,237

**Project Cost Breakdown:**

Major Expense Category	2021	2022	2023	2024	2025	2026	Total Current 6 Yrs
Project Management	696,215	713,620	731,461	749,747	768,491	787,703	4,447,237
Project Cost Breakdown Row Total:	696,215	713,620	731,461	749,747	768,491	787,703	4,447,237

**Describe how this project implements recommendations from other plans adopted by the City and related groups:**

DMC projects support the DMC Development Plan and take into consideration other City plans such as the comprehensive plan, bicycle master plan, park master plan, etc.

**Operations & Capital Asset Maintenance:**

Is this request for new or existing infrastructure: Existing

What is the expected useful life of the project/improvement (in years): 1

What is the estimated annual operating cost increase (Decrease) for this project (\$): 0

**Describe how operating cost increases/Decreases and include details such as personnel costs, materials, contracts, energy savings, etc.:**

The amount being budgeted for 2021 is an increase from the prior year (2020) of approximately \$61,000.

**If new infrastructure, discuss how the department will pay for the increased annual operating costs:**



## Administrative Costs for Destination Medical Center Projects

Department: City Administration

CIP Business Unit: 8600

Division: City Administration

Project Number: 8601

Contact Person: Noloan L Schild

Location: Destination Medical Center

Project Category: Destination Medical Center

Department Priority: 0

Ward: NA

**Project Description:**

This budget item represents the administrative costs that may be incurred by the City of Rochester in the administration of Destination Medical Center (DMC) projects.

**Purpose, Justification & Benefits:**

There are a variety of expenditures that arise in the project process and these funds are available to cover the more minor items that would be considered administrative to carrying out a DMC project.

What is the grant status for the project?: Not Applicable

**Foundation Principles Supported:**

Fiscal Responsibility &amp; Sustainability

**Strategic Priorities Supported:**

Enhance Quality of Life, Manage Growth and Development

**Department Funding Request:**

Anticipated Funding Source	2021	2022	2023	2024	2025	2026	Total Current 6 Yrs
Sales Tax DMC	100,000	100,000	100,000	100,000	100,000	100,000	600,000
Funding Request Row Total:	100,000	100,000	100,000	100,000	100,000	100,000	600,000

**Project Cost Breakdown:**

Major Expense Category	2021	2022	2023	2024	2025	2026	Total Current 6 Yrs
Overhead	100,000	100,000	100,000	100,000	100,000	100,000	600,000
Project Cost Breakdown Row Total:	100,000	100,000	100,000	100,000	100,000	100,000	600,000

**Describe how this project implements recommendations from other plans adopted by the City and related groups:**

DMC projects support the DMC Development Plan and take into consideration other City plans such as the comprehensive plan, bicycle master plan, park master plan, etc.

**Operations & Capital Asset Maintenance:**

Is this request for new or existing infrastructure: Existing

What is the expected useful life of the project/improvement (in years): 1

What is the estimated annual operating cost increase (Decrease) for this project (\$): 0

**Describe how operating cost increases/Decreases and include details such as personnel costs, materials, contracts, energy savings, etc.:**

The administrative budget being presented for 2020 is \$50,000 less than the prior year (2019).

**If new infrastructure, discuss how the department will pay for the increased annual operating costs:**



## Destination Medical Center Development Plan Update

Department: City Administration

CIP Business Unit:

Division: City Administration

Project Number:

Contact Person: Noloan L Schild

Location: Destination Medical Center

Project Category: Destination Medical Center

Department Priority: 0

Ward: NA

**Project Description:**

This project will be to update the Destination Medical Center (DMC) Development Plan.

**Purpose, Justification & Benefits:**

This is required every 5 years and will be informed by data developed since the original plan was adopted. Examples of things that have occurred since the original adoption include: Integrated Transit Studies, market studies and other related efforts.

What is the grant status for the project?: Not Applicable

**Foundation Principles Supported:**

Environmental Stewardship, Fiscal Responsibility & Sustainability, Social Equity

**Strategic Priorities Supported:**

Enhance Quality of Life, Manage Growth and Development

**Department Funding Request:**

Anticipated Funding Source	2021	2022	2023	2024	2025	2026	Total Current 6 Yrs
State DMC Funds	0	0	0	0	500,000	0	500,000
Funding Request Row Total:	0	0	0	0	500,000	0	500,000

**Project Cost Breakdown:**

Major Expense Category	2021	2022	2023	2024	2025	2026	Total Current 6 Yrs
Consulting or Study	0	0	0	0	500,000	0	500,000
Project Cost Breakdown Row Total:	0	0	0	0	500,000	0	500,000

**Describe how this project implements recommendations from other plans adopted by the City and related groups:**

DMC projects support the DMC Development Plan and take into consideration other City plans such as the comprehensive plan, bicycle master plan, park master plan, etc.

**Operations & Capital Asset Maintenance:**

Is this request for new or existing infrastructure: Existing

What is the expected useful life of the project/improvement (in years): 5

What is the estimated annual operating cost increase (Decrease) for this project (\$): 0

**Describe how operating cost increases/Decreases and include details such as personnel costs, materials, contracts, energy savings, etc.:**

A revision of the development plan will not create an increase or decrease in general operating costs.

**If new infrastructure, discuss how the department will pay for the increased annual operating costs:**



## Heart of the City

Department: City Administration

CIP Business Unit: 8600

Division: City Administration

Project Number: 8625

Contact Person: Noloan L Schild

Location: Destination Medical Center

Project Category: Destination Medical Center

Department Priority: 0

Ward: NA

**Project Description:**

The heart of the downtown, this sub-district creates a true center of the city, a cross-roads where Mayo Clinic, commercial, hospitality, retail and residential meet. The Heart of the City is connected by a primary spine which extends and enhances the Peace Plaza to create active experiences and engaging gateways to the other districts downtown.

**Purpose, Justification & Benefits:**

To achieve the vision and goals set forth in the Destination Medical Center (DMC) Development Plan.

What is the grant status for the project?: Not Applicable

**Foundation Principles Supported:**

Fiscal Responsibility &amp; Sustainability, Social Equity

**Strategic Priorities Supported:**

Enhance Quality of Life, Manage Growth and Development



**Department Funding Request:**

Anticipated Funding Source	2021	2022	2023	2024	2025	2026	Total Current 6 Yrs
State DMC Funds	6,000,000	0	0	0	0	0	6,000,000
<b>Funding Request Row Total:</b>	6,000,000	0	0	0	0	0	6,000,000

**Project Cost Breakdown:**

Major Expense Category	2021	2022	2023	2024	2025	2026	Total Current 6 Yrs
Construction	6,000,000	0	0	0	0	0	6,000,000
<b>Project Cost Breakdown Row Total:</b>	6,000,000	0	0	0	0	0	6,000,000

**Describe how this project implements recommendations from other plans adopted by the City and related groups:**

DMC projects support the DMC Development Plan and take into consideration other City plans such as the comprehensive plan, bicycle master plan, park master plan, etc.

**Operations & Capital Asset Maintenance:**

Is this request for new or existing infrastructure:

What is the expected useful life of the project/improvement (in years):

What is the estimated annual operating cost increase (Decrease) for this project (\$):

**Describe how operating cost increases/Decreases and include details such as personnel costs, materials, contracts, energy savings, etc.:**

The increase in operating costs will depend on the final design and amenities installed. The estimates for these elements are being considered as part of the project design and construction.

**If new infrastructure, discuss how the department will pay for the increased annual operating costs:**

N/A



## Discovery Walk

Department: City Administration

CIP Business Unit:

Division: City Administration

Project Number:

Contact Person: Noloan L Schild

Location: Destination Medical Center

Project Category: Destination Medical Center

Department Priority: 0

Ward: NA

**Project Description:**

Discovery Walk is a traditional public street in the center of downtown Rochester, Minnesota near the world-renowned Mayo Clinic. Extending from the center of downtown Rochester through Discovery Square, south to Soldier's Field and on to Rochester's City Loop, this project reimagines the street as a green parkway serving pedestrians and cyclists alike. The ultimate intent is for this to transform into a place to lunch or work outside over coffee, for families to bring children to fountains in the summer and swings in the winter, and for residents to walk their dogs and engage with neighbors.

**Purpose, Justification & Benefits:**

To achieve the vision and goals set forth in the Destination Medical Center (DMC) Development Plan. The proposed street design will eliminate curbs allowing for maximum flexibility and multiple uses during each of Minnesota's four distinct seasons. Depending on the day, the street could have two-way traffic, one-way traffic, or be closed off for a fun and engaging community event.

What is the grant status for the project?: Not Applicable

**Foundation Principles Supported:**

Fiscal Responsibility &amp; Sustainability, Public Safety, Social Equity

**Strategic Priorities Supported:**

Enhance Quality of Life, Manage Growth and Development

**Department Funding Request:**

Anticipated Funding Source	2021	2022	2023	2024	2025	2026	Total Current 6 Yrs
State DMC Funds	7,000,000	7,000,000	0	0	0	0	14,000,000
Funding Request Row Total:	7,000,000	7,000,000	0	0	0	0	14,000,000

**Project Cost Breakdown:**

Major Expense Category	2021	2022	2023	2024	2025	2026	Total Current 6 Yrs
Construction	7,000,000	7,000,000	0	0	0	0	14,000,000
Project Cost Breakdown Row Total:	7,000,000	7,000,000	0	0	0	0	14,000,000

**Describe how this project implements recommendations from other plans adopted by the City and related groups:**

DMC projects support the DMC Development Plan and take into consideration other City plans such as the comprehensive plan, bicycle master plan, park master plan, etc.

**Operations & Capital Asset Maintenance:**

Is this request for new or existing infrastructure: Existing

What is the expected useful life of the project/improvement (in years): 50

What is the estimated annual operating cost increase (Decrease) for this project (\$): 0

**Describe how operating cost increases/Decreases and include details such as personnel costs, materials, contracts, energy savings, etc.:**

The City of Rochester and DMC teams are in the process of evaluating what sources are most appropriate to pay for any annual increase in operating costs.

**If new infrastructure, discuss how the department will pay for the increased annual operating costs:**



## Chateau Theatre Improvements

Department: City Administration

CIP Business Unit: 8600

Division: City Administration

Project Number: 8613

Contact Person: Noloan L Schild

Location: Destination Medical Center - Chateau Theatre

Project Category: Destination Medical Center

Department Priority: 0

Ward: NA

**Project Description:**

The funds budgeted for Chateau Theatre improvements have historically been used for minor repairs and enhancements to the facility and related infrastructure as well as to pay for the building's utilities.

**Purpose, Justification & Benefits:**

There were aspects of the building that needed repair or enhancement in order to maintain the existing asset. Additionally, on-going utility costs are incurred.

What is the grant status for the project?: Not Applicable

**Foundation Principles Supported:**

Fiscal Responsibility &amp; Sustainability

**Strategic Priorities Supported:**

Balance Public Infrastructure Investment

**Department Funding Request:**

Anticipated Funding Source	2021	2022	2023	2024	2025	2026	Total Current 6 Yrs
Sales Tax DMC	100,000	100,000	100,000	100,000	100,000	100,000	600,000
Funding Request Row Total:	100,000	100,000	100,000	100,000	100,000	100,000	600,000

**Project Cost Breakdown:**

Major Expense Category	2021	2022	2023	2024	2025	2026	Total Current 6 Yrs
Overhead	100,000	100,000	100,000	100,000	100,000	100,000	600,000
Project Cost Breakdown Row Total:	100,000	100,000	100,000	100,000	100,000	100,000	600,000

Describe how this project implements recommendations from other plans adopted by the City and related groups:

N/A

**Operations & Capital Asset Maintenance:**

Is this request for new or existing infrastructure: Existing

What is the expected useful life of the project/improvement (in years): 1

What is the estimated annual operating cost increase (Decrease) for this project (\$): 0

Describe how operating cost increases/Decreases and include details such as personnel costs, materials, contracts, energy savings, etc.:

These improvements likely have minimal impact on operating costs. Potentially some of the improvements may marginally decrease operating costs.

If new infrastructure, discuss how the department will pay for the increased annual operating costs:



## Repayment to Flood Control

Department: City Administration

CIP Business Unit: 8600

Division: City Administration

Project Number: 8605

Contact Person: Noloan L Schild

Location: Destination Medical Center

Project Category: Destination Medical Center

Department Priority: 0

Ward: NA

**Project Description:**

These funds represent Destination Medical Center's (DMC) repayment of a loan from the City of Rochester's Flood Control Reserves that were used to initiate efforts in the beginning years of DMC.

**Purpose, Justification & Benefits:**

There is a City Council Resolution to provide the payment/payback of \$1,200,000 annually, starting in 2018, to pay back the Flood Control Reserves in the amount of \$7,200,000.

What is the grant status for the project?: Not Applicable

**Foundation Principles Supported:**

Fiscal Responsibility &amp; Sustainability

**Strategic Priorities Supported:**

Enhance Quality of Life, Manage Growth and Development, Balance Public Infrastructure Investment

**Department Funding Request:**

Anticipated Funding Source	2021	2022	2023	2024	2025	2026	Total Current 6 Yrs
Sales Tax DMC	1,200,000	1,200,000	1,200,000	0	0	0	3,600,000
Funding Request Row Total:	1,200,000	1,200,000	1,200,000	0	0	0	3,600,000

**Project Cost Breakdown:**

Major Expense Category	2021	2022	2023	2024	2025	2026	Total Current 6 Yrs
Overhead	1,200,000	1,200,000	1,200,000	0	0	0	3,600,000
Project Cost Breakdown Row Total:	1,200,000	1,200,000	1,200,000	0	0	0	3,600,000

**Describe how this project implements recommendations from other plans adopted by the City and related groups:**

DMC projects support the DMC Development Plan and take into consideration other City plans such as the comprehensive plan, bicycle master plan, park master plan, etc.

**Operations & Capital Asset Maintenance:**

Is this request for new or existing infrastructure: Existing

What is the expected useful life of the project/improvement (in years): 4

What is the estimated annual operating cost increase (Decrease) for this project (\$): 0

**Describe how operating cost increases/Decreases and include details such as personnel costs, materials, contracts, energy savings, etc.:**

The majority of the work performed utilizing the funds was related to 1) the Chateau Theatre purchase and 2) consulting related to various aspects of the DMC Development Plan. Operating cost impacts were marginal.

**If new infrastructure, discuss how the department will pay for the increased annual operating costs:**





## Strategic Redevelopment

Department: City Administration

CIP Business Unit: 8600

Division: Destination Medical Center CIP (BU 8600)

Project Number:

Contact Person: Noloan L Schild

Location: Destination Medical Center

Project Category: Destination Medical Center

Department Priority: 0

Ward: NA

**Project Description:**

Strategic Redevelopment would include any opportunity for redevelopment within the DMC boundaries that the DMCC and City of Rochester see as valuable to their collaborative long term goals and strategic plans.

**Purpose, Justification & Benefits:**

Some redevelopment opportunities are not known in advance and therefore, these funds would be available if/when a valuable opportunity arises to allow the City and DMC to invest in the community.

What is the grant status for the project?: Not Applicable

**Foundation Principles Supported:**

Compassion, Environmental Stewardship, Fiscal Responsibility &amp; Sustainability, Public Safety, Social Equity

**Strategic Priorities Supported:**

Enhance Quality of Life, Foster a Team-Oriented Culture, Manage Growth and Development, Balance Public Infrastructure Investment

**Department Funding Request:**

Anticipated Funding Source	2021	2022	2023	2024	2025	2026	Total Current 6 Yrs
State DMC Funds	7,000,000	0	0	0	0	0	7,000,000
Funding Request Row Total:	7,000,000	0	0	0	0	0	7,000,000

**Project Cost Breakdown:**

Major Expense Category	2021	2022	2023	2024	2025	2026	Total Current 6 Yrs
Implementation	7,000,000	0	0	0	0	0	7,000,000
Project Cost Breakdown Row Total:	7,000,000	0	0	0	0	0	7,000,000

**Describe how this project implements recommendations from other plans adopted by the City and related groups:**

Would invest in projects/opportunities that are in alignment with the strategic plans of both the DMC and City of Rochester.

**Operations & Capital Asset Maintenance:**

Is this request for new or existing infrastructure: New

What is the expected useful life of the project/improvement (in years): 50

What is the estimated annual operating cost increase (Decrease) for this project (\$): 0

**Describe how operating cost increases/Decreases and include details such as personnel costs, materials, contracts, energy savings, etc.:**

Any increase in operating costs would have to be projected & considered at the time funds were being considered to be expended on a redevelopment opportunity.

**If new infrastructure, discuss how the department will pay for the increased annual operating costs:**