

# DMC Corporation Board Meeting

February 3, 2021



**DMC**

Destination Medical Center  
Rochester, MN

# Public Comment



# Chair's Report



# Consent Agenda



# Annual Report to the Legislature



# Report to the MN State Legislature

- Required by DMC State Statute
- Approved and signed by DMC Corp. and City of Rochester
- Recipients include State legislative leaders, State commissioners, City and County officials
- Summarizes DMC's progress and public investments



# DMC Metrics: Targeted Business and Workforce Participation





# WORKFORCE PARTICIPATION & TARGETED BUSINESSES



This chart shows historical performance and new goals beginning in 2021. New strategies and partnerships are being deployed to realize the outcomes.

TARGETED WORKFORCE & BUSINESS CATEGORIES	2015 GOAL	(2017-2020)* PERFORMANCE	2020 PERFORMANCE	2021 GOAL	2022 GOAL	2023 GOAL
WOMEN CONSTRUCTION PARTICIPATION	6%	3.5%	3.7%	7%	8%	9%
WOMEN PROFESSIONAL SERVICES PARTICIPATION	6%	34.8%	48.9%	7%	8%	9%
MINORITY CONSTRUCTION PARTICIPATION	4%	15.8%	16.7%	15%	15%	15%
MINORITY PROFESSIONAL SERVICES PARTICIPATION	4%	8.4%	13.5%	15%	15%	15%
TARGETED BUSINESS: CONSTRUCTION	4%	7.6%	6.8%	7%	7%	7%
TARGETED BUSINESS: PROFESSIONAL SERVICES	4%	5.2%	4.5%	7%	7%	7%
TARGETED BUSINESS: HEAVY CONSTRUCTION PROJECTS	4%	—	—	4%	4%	4%

\*cumulative



# IMPLEMENTATION STRATEGIES:



## Workforce Participation

- Tracking women and minority workforce participation on all projects monthly
- Requiring Workforce Participation Plans with bids beginning in 2021
- Hosted Inclusive Workforce Practices: Why you need a Workforce Participation Plan workshop, (January 20, 2021), 70+ attendees
- Sponsoring Workforce Development Inc. construction trades training (spring 2021)

## Targeted Business

- Tracking Targeted Business contract changes and payments made on all projects monthly
- Invited Targeted Businesses to attend Discovery Square Phase 2 information session with Mortenson Construction (November 2020)
- Planning Targeted Business contracting for Discovery Walk project with Knutson Construction
- Hosting Targeted Business certification application workshop (February 4, 2021)
- Hosting Bidding and Bonding workshop for small contractors (March 4, 2021)

# COLLABORATORS:



# Equitable Economic Development

1. **Community Co-Design:** Pilot to Business Approach
2. **Community Partnerships:** Broaden collaboration across public, private and non-profits on equity initiatives
3. **Housing:** Realize downtown housing targets for affordability and ownership
4. **Community Listening:** Implement take-aways from novel engagement processes to all projects



# Priorities



- **Heart of the City**
- **Discovery Square**
- **Transportation**
- **Private Projects**



# Heart of the City



# Heart of the City

- Progress
  - Business Forward Strategy
  - Construction Schedule
- Next Steps
  - Working Issues
  - Inaugural Year



# Heart of the City: Business Forward Strategy

- Construction teams continue to work
  - Sidewalks
  - Sewer Access
  - Tree-boxes
- Commitment to putting businesses first
  - Micro-phasing, Communications, Programming
  - Continue to "pivot" and build new strategies due to COVID 19



Weekly Communications - Zoom Mtgs & Newsletters: project partners, community organizations, business and land owners



WELCOME TO THE HEART OF DOWNTOWN ROCHESTER

PHASE 1 PROJECT UPDATES



Welcome to the weekly progress updates on the Heart of the City Phase One project. You will receive an e-mail every Friday with an overview of construction progress from the past week and a look at what's to come.

The Heart of the City project team is available to help with any questions, concerns, comments and ideas.

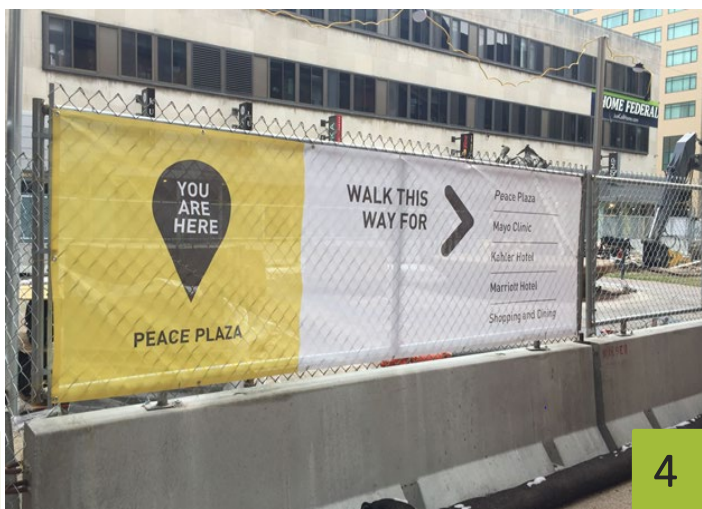
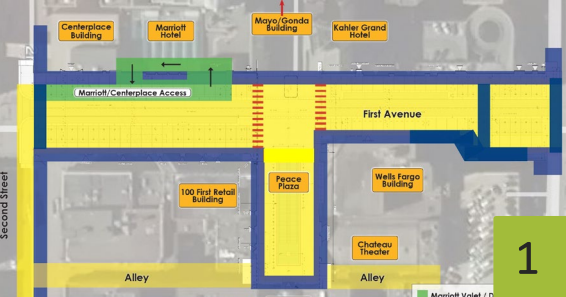
You can contact the Heart of the City Team anytime at:

507-328-2021

The project team has heard from many businesses with great questions, ideas and suggestions and we thank you for your help.

Emergency Line: 507-218-3866







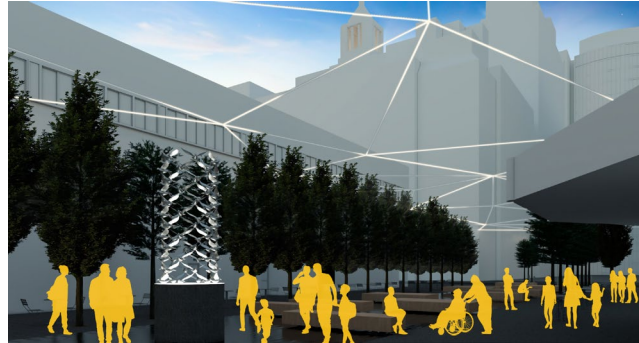
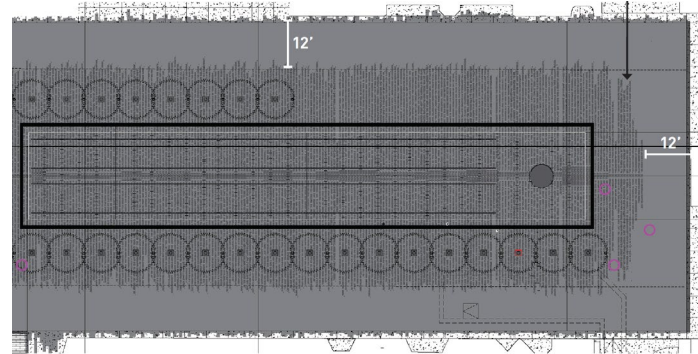
# Heart of the City: Current Status, Schedule

<u>Project Component</u>	<u>Original Schedule</u>	<u>New Schedule</u>	
• Second Street Completion	09/28/2020	08/25/2020 (COMPLETE)	→ - 34 days
• First Avenue South	07/28/2021	07/01/2021	→ - 27 days
• First Avenue North Sidewalk	08/20/2021	06/01/2021	→ - 80 days
• First Avenue North Street	08/20/2021	07/15/2021	→ - 36 days
• Peace Plaza	08/13/2021	**08/13/21	→ On Time



# Heart of the City: Working Issues

- Working Issues:
  - Winter Weather
  - Ann Hamilton  
Art Installation
  - Rafael Lozano-Hemmer  
Art/Catenary Light  
Fabrication and Installation
- Solutions:
  - Schedule
  - Programming



# Heart of the City: Inaugural Year Strategy

- A focus on creating a welcoming Peace Plaza environment for community members and visitors to the newly renovated Peace Plaza
- Build this strategy together with community partners
  - A special focus on building inclusive public spaces
- Activate the plaza with passive and active programming
  - Passive: scavenger hunt, information QR codes about design, interactive design
  - Active: music, live art, family programming





# Discovery Square



# Discovery Square - Progress

- **Economic Development-** Business recruitment activities continue, now include standing meeting with Mayo Clinic stakeholders for lead generation.
- **Residential and Retail** – Multiple developments now complete
- **Discovery Square 2-** Construction underway, anticipate late Q1/'22 completion.
- **One Discovery Square-** Now 97% leased, with proposals out for remaining space.



# Organizations – Then and Now



# Organizations – Then and Now





# Discovery Square – Next Steps

- **Economic Development** - Continue business recruitment
- **New Construction** - Mayo Clinic's Kellen research building; new parking structure being contemplated
- **Entrepreneurship** - Launch collaboration to support startup businesses in any economic sector
  - Builds on already existing efforts of collaborators, but in a unified way
  - Create/build resources for business expertise, educational programming, space and specialty equipment, and necessary support services
  - Financial model being developed
  - Collaborators: Collider, DMC, RAEDI, Mayo Clinic, and Medical Alley Association



# Discovery Walk – The New Public Realm

## The Reality



## The Aspiration



## The Design



# Discovery Walk – Arts & Community Input

## Community Artists



## Community Co-Designers



# Discovery Walk - Progress

- **Construction Documents** – 75% complete
- **Underground Utilities** – Highly complex, multiple organizations working out the design, details and scheduling
- **Additional Features from Community** – snow melt, weather shelters and Soldiers Field extension; design and budgets being developed
- **Operations & Maintenance** - City staff developing plan and budget
- **Public Art** – Artist concepts are being integrated into the design documents
- **Business Forward** – Strategy development underway, with stakeholder

input



# Discovery Walk – Fly By



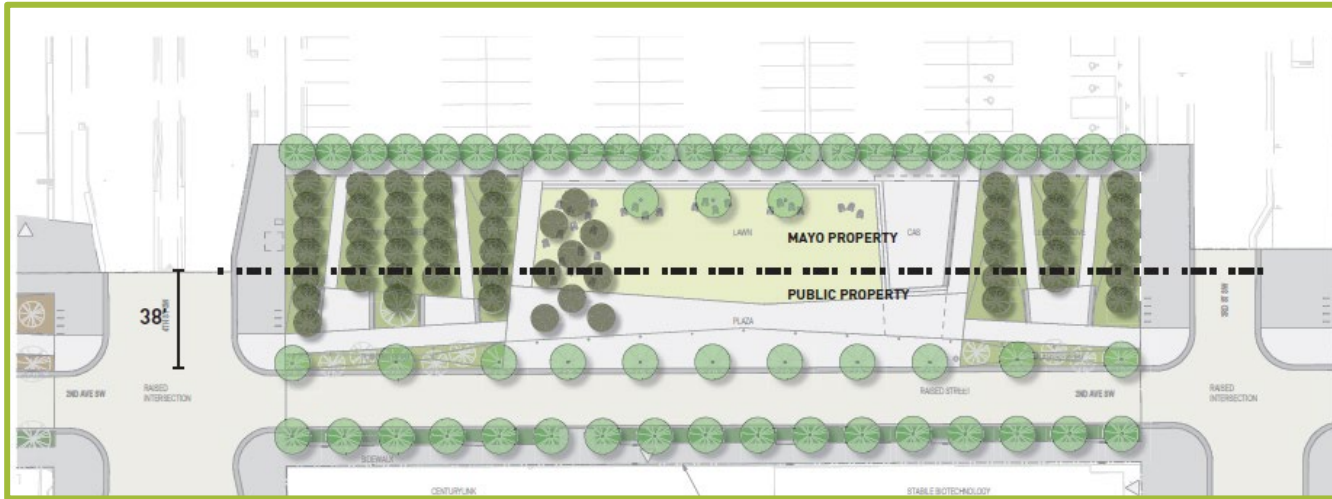
# Discovery Walk – Evolution

- Deferment on 300 block gathering space
- Base project budget
- Potential project considerations



# Discovery Walk – 300 Block Gathering Space

- Gathering space extended beyond the public right of way onto Mayo Clinic property.
- We will defer development of that space to coincide with future Mayo Clinic development of the full block.



# Discovery Walk – Base Project Budget

<u>Estimates</u>	<u>Core Project</u>	<u>Contingency</u>
Approved Project Budget (2019):	\$16.80M	\$0
<u>Current Project Estimate (2021):</u>	<u>\$17.24M</u>	<u>\$1.6M</u>
Difference:	+\$440K	+1.6M



# Discovery Walk – Potential Considerations

In discussions with community, three considerations emerged as potential additions to the project

- Weather Structures: ~\$800K
- Snowmelt System: ~\$2.2M
- Soldiers Field: ~\$3.0M



Weather Structure



# Discovery Walk – The New Public Realm

## The Reality



## The Aspiration



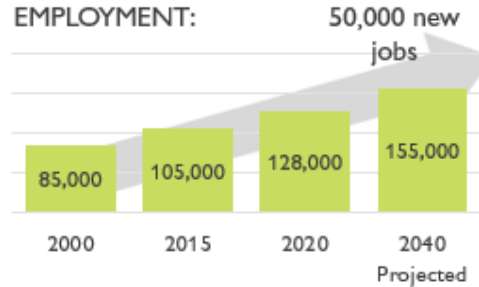
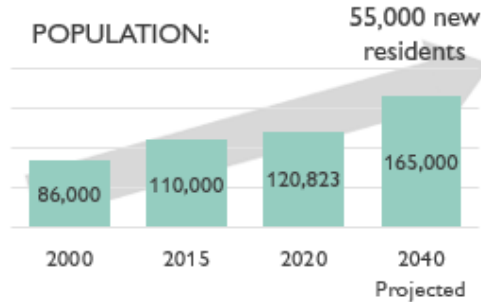
## The Design



# Transportation Experience



# Context: Mobility



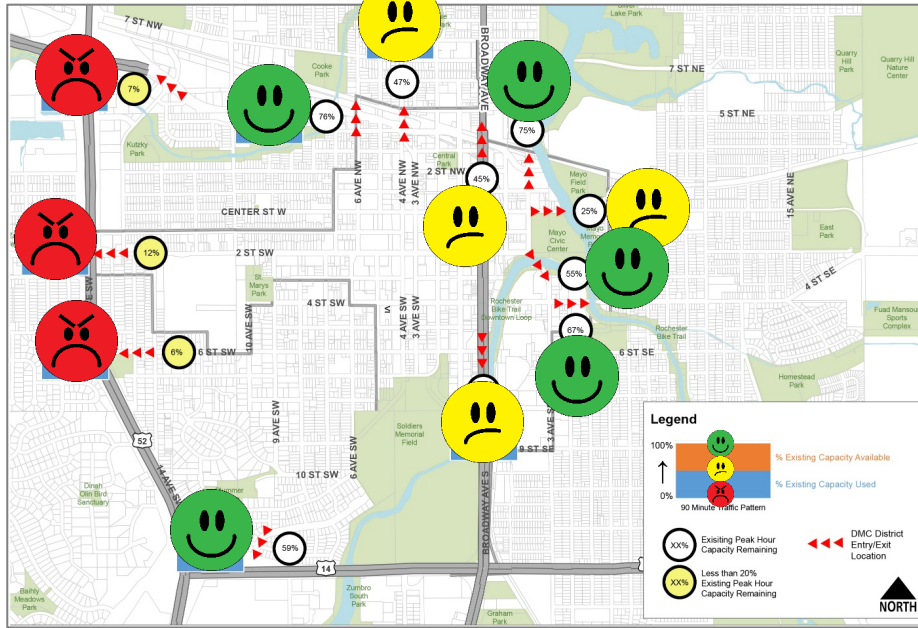
FUTURE GROWTH + FIXED STREET NETWORK = POOR DOWNTOWN EXPERIENCE

- For drivers
- For downtown neighborhoods
- For pedestrians

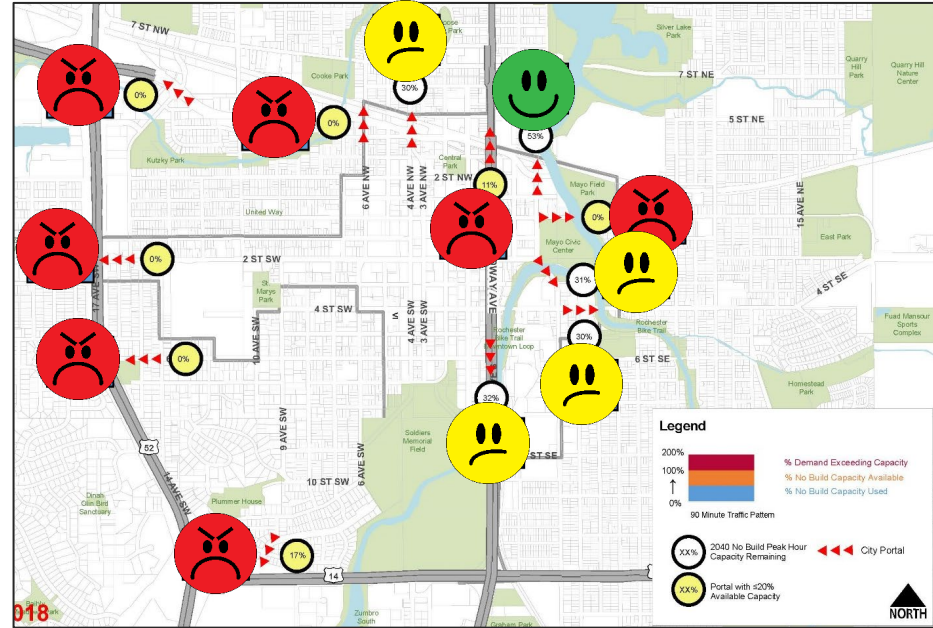


# Projected traffic experience

Street capacity today



Street capacity in 2040 without commute changes



# Many arrows in the quiver



Pedestrians



Programs



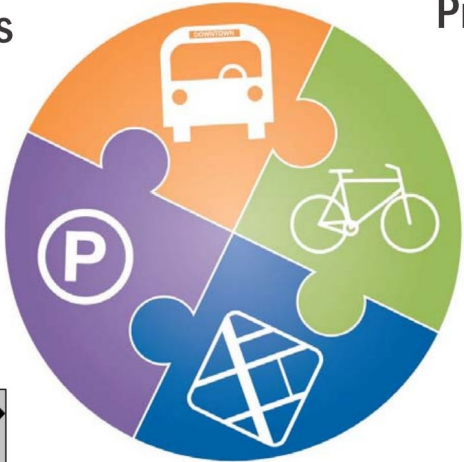
Bikes



Cars



Policies



# Rochester Rapid Transit

## GOAL:

To deliver a transportation experience  
*equal or better* to a single occupant  
vehicle experience



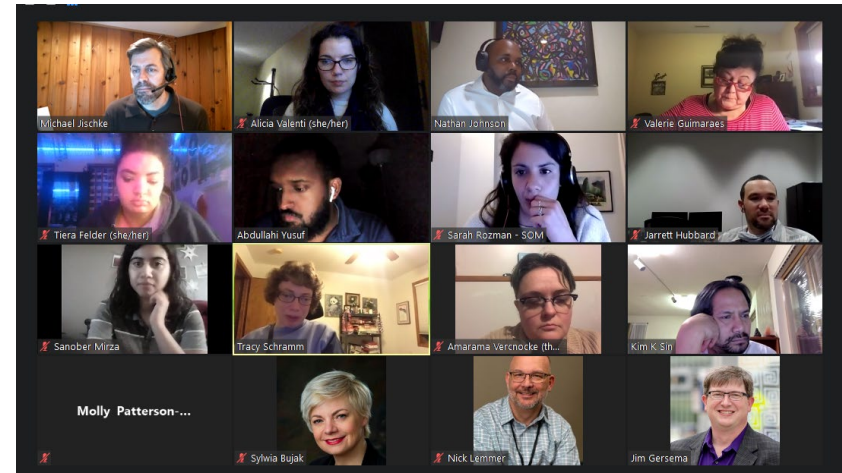
**How?**





# Co-Design: Bringing in Lived Experience

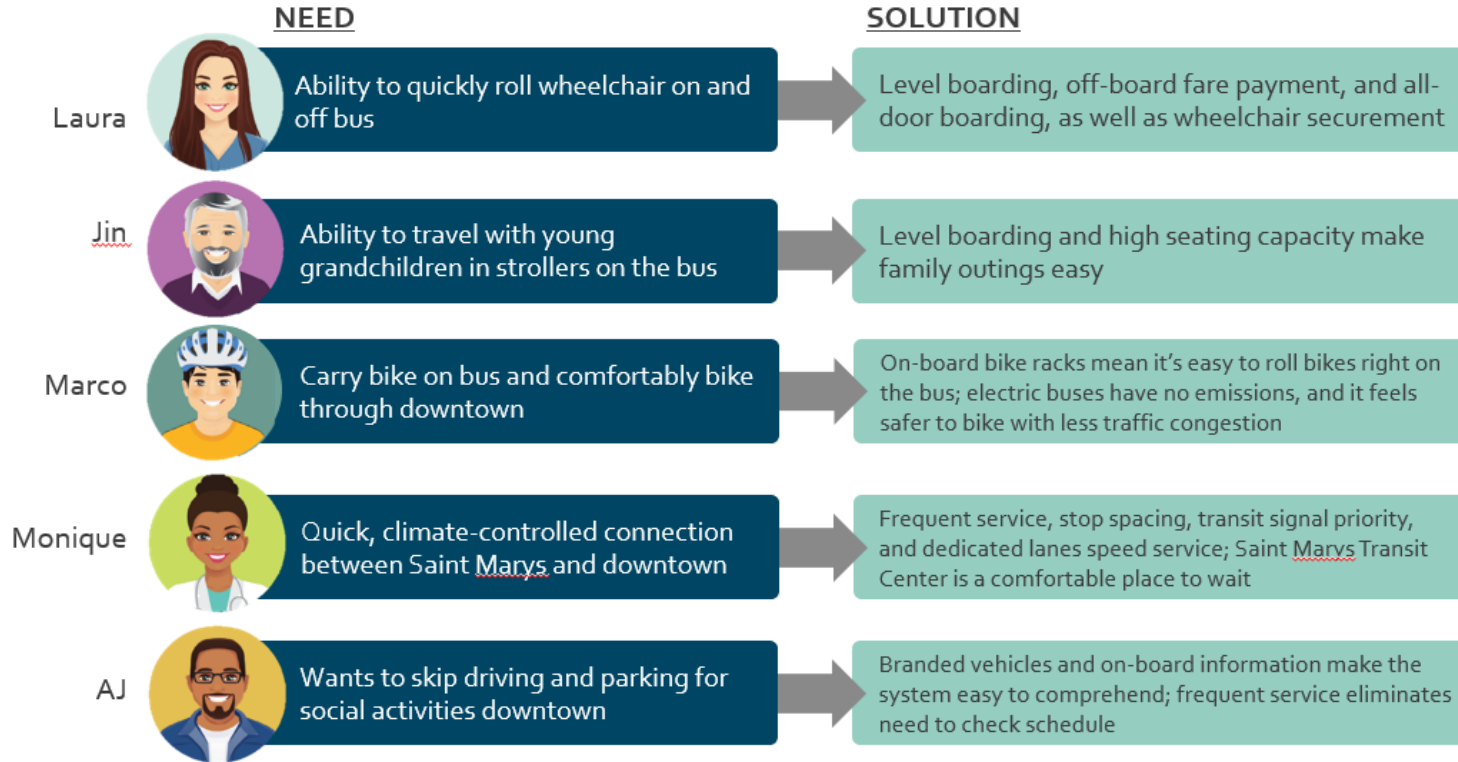
- Co-designers: ten diverse, representative Rochester residents.
- Meet with project staff and community members to advance station design.
- Influence of co-design input:
  - Emphasis on ensuring accessibility to achieve equity.
  - Prioritization of station amenities and bus features.
  - Refinement of design approach.
  - Formation of Saint Marys Transit Center vision.



Co-design meeting, January 12



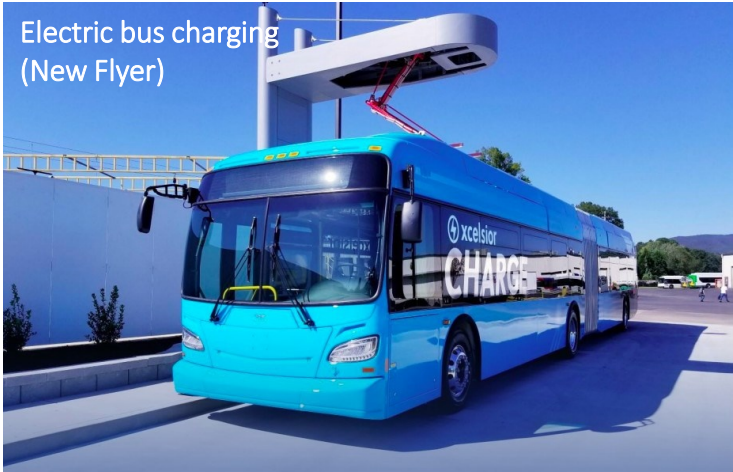
# Bus Rapid Transit Experience



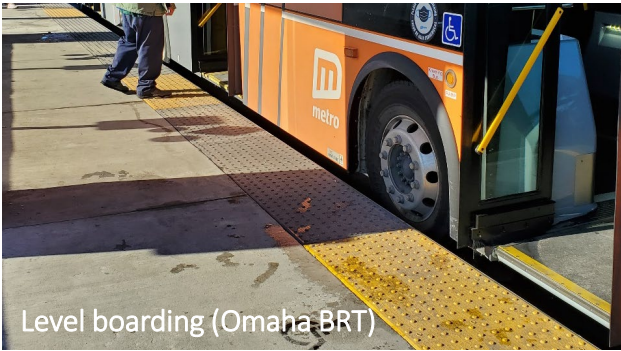
# Preferred Features



ORBT on-board real-time signage



Electric bus charging (New Flyer)



Level boarding (Omaha BRT)



Real-time arrival signage



In-seat Charging



# International Inspiration



# Station Shelter and Platform Features

- 1. Shelter
- 2. Canopy
- 3. Marker
- 4. Platform Pavement
- 5. Boarding Edge & Warning Mat
- 6. Landscaping
- 7. Fare Collection
- 8. VMS (Variable Message Sign)
- 9. Kiosk
- 10. Windscreen
- 11. Railing
- 12. Light Poles
- 13. Benches
- 14. Bike Racks
- 15. Trash/Recycling
- 16. Artwork



Example BRT Station Visualization (Metro Transit Orange Line)



# BRT to meet Rochester's Needs



Frequent, all-day service.



Comfort enhanced by shelter, lighting, and heat.



Safety improved by lighting, emergency phones, and cameras.



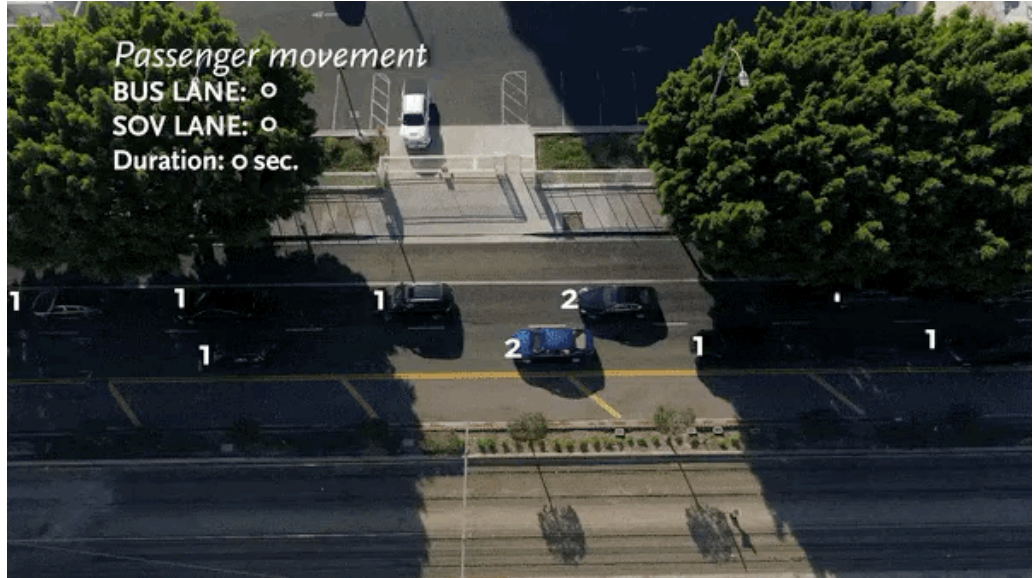
Boarding made easier by off-board fare payment, all-door boarding, and level boarding.



Kiosks provide important rider information.



Dedicated transit lanes and signal priority improve travel speed and reliability.

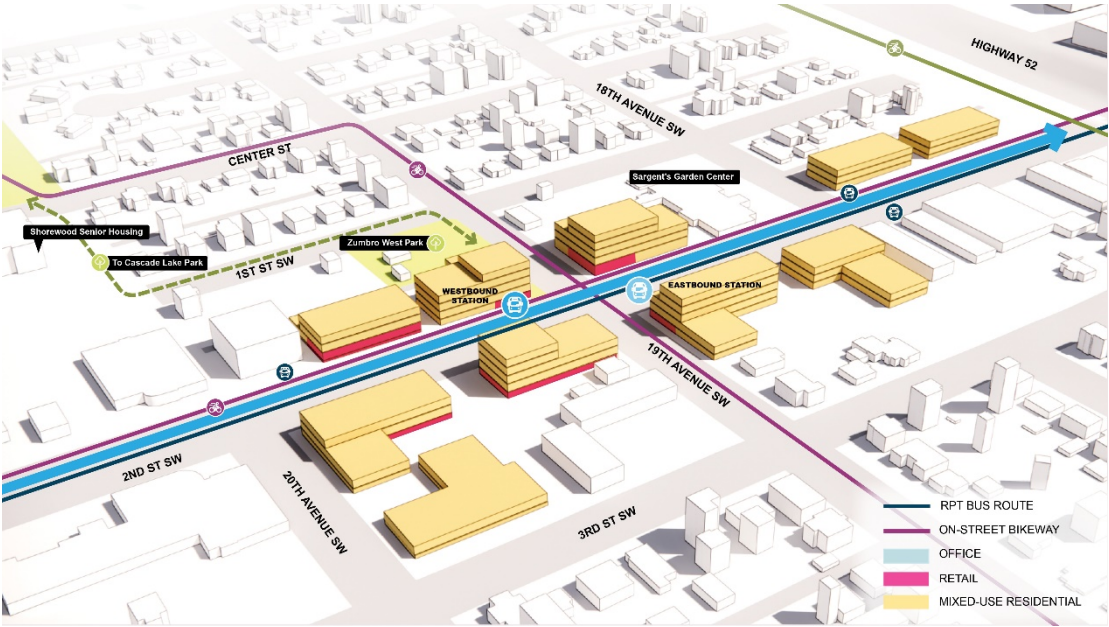


# A better experience for people, with more housing opportunities on transit



# Rochester Rapid Transit and Economic Development

	<p><b>RESIDENTIAL</b>          4.4M - 5.5M SF          2,500-3,700          (market rate)          2,400 (affordable)</p>		<p><b>RETAIL</b>          351,000 SF -          415,000 SF</p>
	<p><b>OFFICE</b>          765,000 SF -          1.07M SF</p>		<p><b>HOTEL</b>          844,000 SF -          938,000 SF          1,353-1,705 keys</p>





# A better experience for people, with more housing opportunities on transit

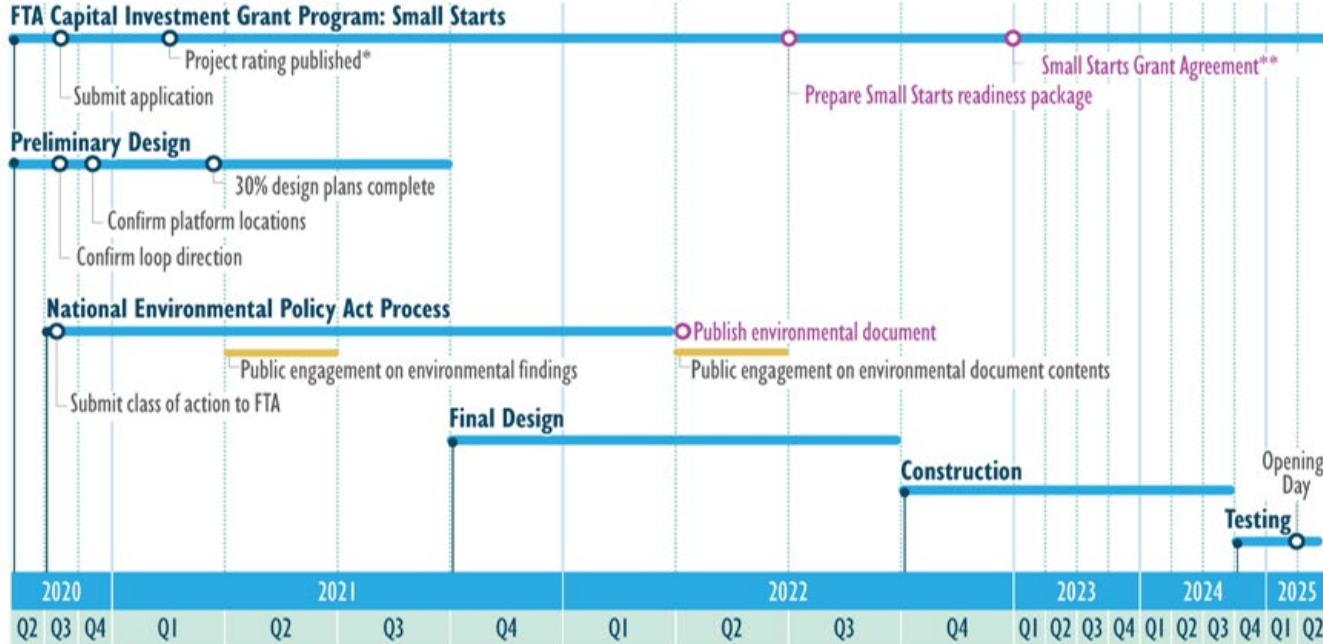


# Project Timeline

## ROCHESTER RAPID TRANSIT DEVELOPMENT PROCESS



# Project Timeline



\* If project receives a rating of medium or better it is eligible for a Small Starts grant. Timing of the Small Starts grant is at the discretion of the federal government.

\*\* Award of the Small Starts grant is at the discretion of the federal government. Date shown is an estimate.

○ Key milestones



# Private Development Updates



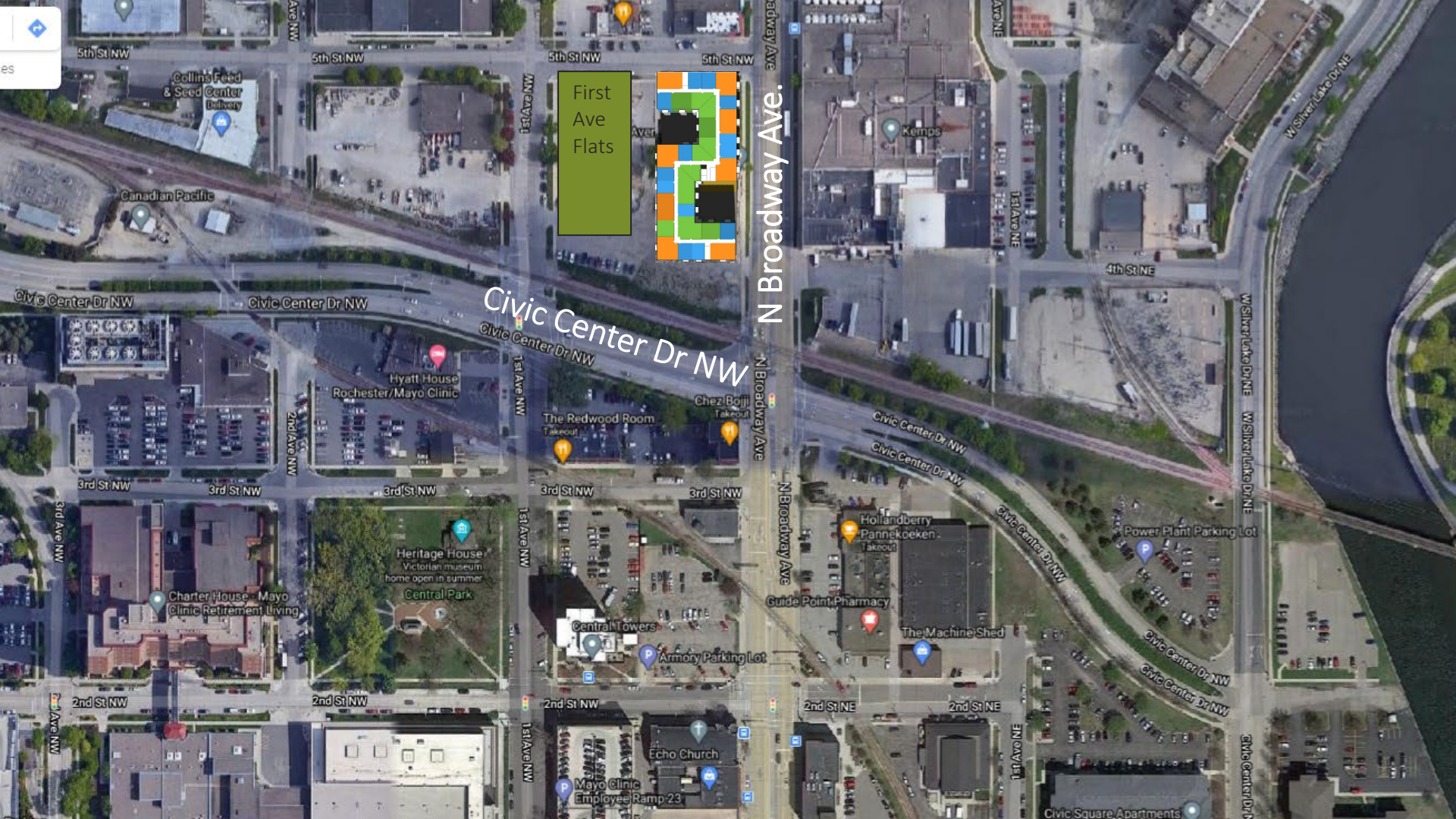
# Bryk Apartments Project



# PROJECT DETAILS

- Mixed-use apartment building
- 180 workforce housing apartments with a mixed AMI ranging at 50%, 60% and 80% rental levels
- Commercial Space- 8,000 SF
- Location in the DMC and TOD Districts
- Pursuing Green Communities Certification





First  
Ave  
Flats

Civic Center Dr NW

N Broadway Ave

Central Towers

2nd St NW

Mayo Clinic  
Employee Ramp 23

Echo Church

Armyo Parking Lot

Guide Point Pharmacy

The Machine Shed

Hollandberry  
Pannekoeken  
Takeout

The Redwood Room  
Takeout

Chez Boji  
Takeout

Hyatt House  
Rochester/Mayo Clinic

Heritage House  
Victorian museum  
home open in summer  
Central Park

Charter House - Mayo  
Clinic Retirement Living

Power Plant Parking Lot

Collins Feed  
& Seed Center  
Delivery

Kemps

Canadian Pacific

Civic Square Apartments

# NEXT STEPS

- Continue to work with Bryk Team to complete project review and prepare financial support recommendation
- Targeting mid-February for financial support recommendation





# Marketing and Communications Update



DMC

Destination Medical Center  
Rochester, MN



# 2020 Audience and Prioritization

Keeping our foot on the gas

Future forward



Life Science Companies  
Investors & Developers

Entrepreneurs/Start ups

Digital Health

Continue with hyper-targeted digital campaign

Consideration: Retail, Dining and Entertainment



# Sample Digital Ads



**DISCOVER  
OPPORTUNITY  
IN ONE OF  
AMERICA'S MOST  
INNOVATIVE CITIES.**



**ROCHESTER,  
MN: A GLOBAL  
DESTINATION  
FOR HEALTH  
AND WELLNESS.**



**DMC**  
Destination  
Medical Center  
Rochester, MN

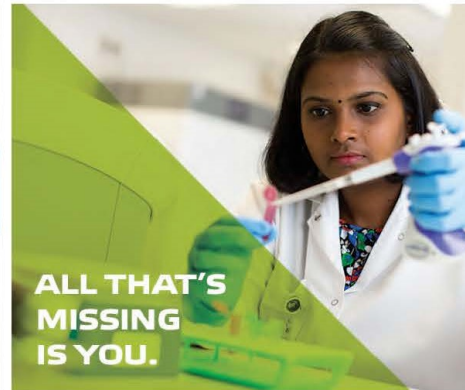
**BE PART OF IT >**



**THE  
BRIGHTEST  
SCIENTIFIC  
MINDS.**



**AN  
INSPIRING  
HUB OF  
INNOVATION.**



**ALL THAT'S  
MISSING  
IS YOU.**



**DMC**  
Destination  
Medical Center  
Rochester, MN

**GET STARTED >**



# COVID=PIVOT





DMC

Destination Medical Center  
Rochester, MN

**ROAD TO RECOVERY**

Webinar Series

**RECOVERY**





# DMC Webinar Series



## FREE WEBINAR: Construction Safety in a COVID-19 Environment

A digital dialogue with Minnesota construction leaders, a Mayo Clinic infectious disease physician and a public health expert.

April 16 Noon - 1pm

[Learn more >](#)



## FREE WEBINAR: Road to Recovery: Retail and Restaurant

A digital dialogue with TV Personality and Chef Andrew Zimmern and Maureen Bausch, CEO of Bold North Associates.

April 30  
Noon - 1pm



[Learn more >](#)



sponsored by Destination Medical Center

### DMC Webinar Series – Road to Recovery: Outdoor Public and Event Spaces

Free webinar 5/1, 12-1pm with Tom Fisher, director of the U of MN Design Center and Jerry Hammer, MN State Fair General Manager.

[Learn More](#)



Support comes from Rochester's Destination Medical Center; hosting 'Road to Recovery' webinar series April 27 – May 1 featuring leaders from retail, commercial, transportation and hospitality discussing business preparations for post pandemic realities. More at [dmc dot mn](#).

## Road to Recovery webinar stats

- Geography: Rochester – 30%, Minnesota (outside of Rochester) – 60%, Outside of Minnesota – 10%  
Average attendance: 203
- Most viewed: Construction Safety in a COVID-19 Environment (354 attendees)



# DMC Annual Program



538 YouTube Views, 406 Facebook Views





# VOX Partnership: National Media Platform

**YOUR BUSINESS.  
STEPS AWAY FROM  
MAYO CLINIC.  
POSSIBILITIES  
ARE ENDLESS.**

**BE PART OF IT >**



**DMC**  
Destination  
Medical Center  
Rochester, MN



Aligns with life science, digital health and entrepreneur/startup audiences; testing downloadable content



# AmericanInno Partnership: Third Party Editorial

STORIES / PARTNER CONTENT

Sponsored content by Destination Medical Center

## How Mayo Clinic sparks business innovation in Rochester, Minnesota

Email Facebook LinkedIn Twitter



Vyriad's co-founders, Drs. Kah-Whye Peng and Stephen Russell, have remained committed to keeping the company nearby since its founding in 2016 even as potential investors have tried to convince them to relocate.

Matt Meyer

### RECOMMENDED

RESIDENTIAL REAL ESTATE  
by South Florida Business Journal

**TBI** Oncologist sells Gables Estates mansion with sauna steam room for \$12M (Photos)

TECHNOLOGY  
by Austin Business Journal

**TBI** Covid-fighting startup to relocate HQ to Austin from Minnesota

MANUFACTURING

intent

io - Tech startup illustr- X +

https://www.bizjournals.com/austin/inno/stories/partner-content/2021/01/29/tech-startup-illustrates-innovative-fiber.html

## Tech startup illustrates innovative fiber in Rochester, Minnesota

Email Facebook LinkedIn Twitter



Chris Lukenbill (left) and Andy Vig (right), co-founders of Shrpa.

### RECOMMEND

BANKING & FINANCIAL SERVICES  
by Austin Business Journal

**TBI** In the money Feb. 2021: \$108M raised by Austin companies

COMMERCIAL REAL ESTATE  
by Dallas Business Journal

**TBI** RELOCATION STATEMENT: Economic Development discusses Irving-Las Colinas opportunities

TECHNOLOGY  
by Destination

## Target Markets: Minnesota, Chicago, DC and Austin, TX



# Urban Evolution: A podcast about harnessing creativity and innovation to transform communities

Urban Evolution Episode 1: Destination Medical Center: Creating a Global Destination for Health and Wellness in Rochester, Minnesota

December 7, 2020 Urban Evolution Podcast



There's a transformation taking place in Rochester, Minnesota, home to Mayo Clinic. Destination Medical Center is a nearly \$6 billion transformation of the city, creating a global destination for health and wellness. Lisa Clarke, Executive Director of the Destination Medical Center Economic Development Agency, and Dr. Clark Otley, Chief Medical Officer of the Mayo Clinic Platform and Medical Director of Mayo Clinic's Department of Business Development, are both intimately involved with this transformation and the evolution of Rochester, Minnesota.

Urban Evolution Episode 3: The Growth of CRAVE Restaurants and Surviving a Pandemic

December 16, 2020 Urban Evolution Podcast



Kam Talebi is founder and CEO of Kaskaid Hospitality and operator of 12 CRAVE restaurants throughout the Midwest. He surprisingly opened his newest CRAVE restaurant in Rochester, Minnesota in the middle of a pandemic, even as restaurants nationwide were closing. But his family's special bond with Rochester and Mayo Clinic was his motivation.

[Download a transcript of this episode.](#)



A unique partnership of civic and community organizations in Rochester, Minnesota joined forces in the middle of the COVID-19 pandemic to help ensure a safe and resilient recovery for the community. The partnership is called Rochester Ready. Erin Sexton, Director of Community Engagement for Mayo Clinic and Joe Ward,

president of Experience Rochester, the city's destination marketing organization, explain more about Rochester Ready and Mayo Clinic and Experience Rochester's involvement as founding members.

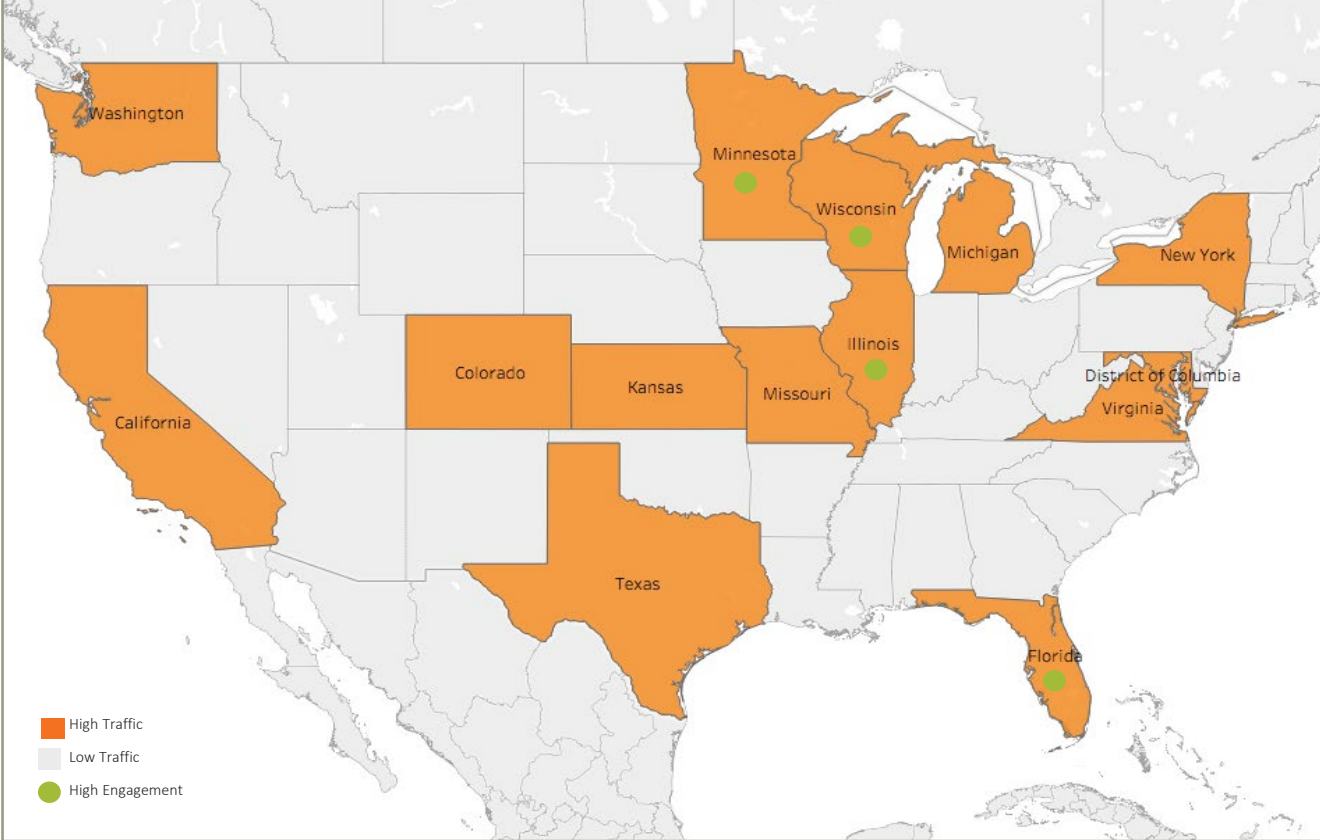
Rochester Ready:



695 interactions since mid-December: 443 downloads; 252 YouTube views; top visited web page since Dec. 17 launch.



# 2020 Website Traffic



- 79% traffic beyond Rochester
- 61% traffic beyond Minnesota
- Discovery Square and Investors and Developers still rank high for top pages visited



# 2021 Audience Evolution and Prioritization

Keeping our foot on the gas

Future forward



Life Science Companies

Digital Health  
Entrepreneurs/Start ups

Retail, Dining  
and  
Entertainment

Continue to move down the sales funnel; key performance indicators will shift to engagement, actions and leads



## BUSINESS

# Why some Minnesota companies are ditching the office and going remote, forever

New model has upsides when location's irrelevant.

By Jackie Crosby Star Tribune | JANUARY 30, 2021 — 2:39PM



STAR TRIBUNE

“Many business leaders and workers are eager to return to the office. But a growing number of companies have decided to shift permanently to remote work, decisions that will ripple through lifestyles, real estate and the shape of communities.”

*-StarTribune, 1.30.21*



**npr** MPRnews SIGN IN NPR SHOP DONATE

NEWS ARTS & LIFE MUSIC SHOWS & PODCASTS SEARCH

BUSINESS

**You Want To Move? Some Cities Will Pay You \$10,000 To Relocate**

December 20, 2020 · 11:26 AM ET

**gt** government technology MAGAZINE NEWSLETTERS EVENTS PAPERS NAVIGATOR SECTIONS

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WORKFORCE AND PEOPLE

**The Shift to Remote Work Will Forever Change Silicon Valley**

*Tech companies like Facebook, Twitter and VMware are leading the way in the move to permanent telework, reversing years of investment in lavish campuses designed to lure workers and keep them there beyond the 9-to-5 workday.*

BY ANDREA CHANG, LOS ANGELES TIMES / NOVEMBER 13, 2020

Personnel Policies | **Our Work-from-Anywhere Future**

**Our Work-from-Anywhere Future**

Best practices for all-remote organizations by Prithwiraj (Raj) Choudhury

WORK

**These 10 small cities could become the next work-from-home destinations**

**startupgrind** Startups Partners Investors Students Events Content Become a Member Log In

**These 7 Amazing Companies Let You Work from Anywhere**

**Forbes**

EDITORS' PICK | May 24, 2020, 12:51pm EDT | 124,777 views

**Here Are The Companies Leading The Work-From-Home Revolution**



## The Future of Cities Virtual Event

1.28.21



*Richard Florida, renowned urbanist and thought leader*

“Communities are now competing for people and remote workers, not just businesses.”

“People used to move to cities for jobs...now people will move to cities for amenities.”

“In the post-pandemic world, when the pause button comes off, we’re going to see this acceleration in a big way.”







Urban Evolution

## The Post Pandemic City: A Convers



00:00 | 36:58



Tom Fisher, Director of the Minnesota Design Center at the University of Minnesota

The Coronavirus pandemic has accelerated changes in many industries and in our daily lives. Tom Fisher, Director of the Minnesota Design Center at the University of Minnesota is a professor and former dean at the university. His research has focused on sustainable architecture, design ethics and community based service design. He shares insights on what a post pandemic city might look like, and how lessons from past pandemics and health events can help shape our future.

“Rochester has a great opportunity to be a global magnet for people who may have no business connections to Rochester but simply want to live there because of its assets.”

“If you can live and work anywhere, why not live next to the **world’s best hospital.**”



# ROCHESTER CONTINUES TO RANK AS ONE OF THE BEST PLACES TO LIVE IN AMERICA



ROCHESTER, MN

## TOP 5 BEST PLACES TO LIVE

*Livability, 2020*

## TOP 3 MOST INNOVATIVE CITIES IN AMERICA

*24/7 WALL ST, 2018*

## ONE OF THE MOST RECESSION-RESISTANT CITIES IN THE COUNTRY

*SmartAsset, 2020*

## MINNESOTA'S FIRST LEED GOLD CITY

*U.S. Green Building Council*



MAYO CLINIC IN ROCHESTER

## NUMBER 1 HOSPITAL IN THE NATION

*U.S. News and World Report, 2020-21*

## WORLD'S BEST HOSPITAL

*Newsweek, 2020*



 **DMC**  
Destination Medical Center

# 2021 Evolution and Prioritization

Keeping our foot on the gas

Future forward



Life Science Companies

Digital Health  
Entrepreneurs/Start ups

Retail, Dining  
and  
Entertainment

Continue to move down the sales funnel; key performance indicators will shift to engagement, actions and leads

Work from Anywhere



# THANK YOU



DMC

Destination Medical Center  
Rochester, MN

