

DMC
Destination
Medical Center

Destination Medical Center Corporation
Board of Directors Meeting

Thursday, September 30, 2021
9:30 A.M.

DESTINATION MEDICAL CENTER CORPORATION (DMCC)

BOARD MEETING

Thursday, September 30, 2021
9:30 A.M.

PLEASE NOTE: THE MAYO CIVIC CENTER REQUIRES FACE COVERINGS
<https://www.mayociviccenter.com>

To View the Meeting Remotely: <https://video.ibm.com/channel/destination-medical-center>

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A.	Next Regular Meeting: November 4, 2021 at 9:30 A.M.	
XIV.	Adjournment	

DESTINATION MEDICAL CENTER CORPORATION (DMCC)
BOARD MEETING

Thursday, May 20, 2021
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, Michael Dougherty, Pamela Wheelock, and Council President Brooke Carlson were present.
- III. Approval of Agenda. Commissioner Bier moved approval of the agenda. Ms. Wheelock seconded.

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

Nays: None.
- IV. Approval of Minutes: March 23, 2021. Mr. Campbell moved approval of the Minutes. Commissioner Bier seconded.

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

Nays: None.
- V. Public Comment. No public comments were offered.
- VI. Chair's Report. Chair Rybak noted the recent election of Dr. Clark Otley to the office of EDA board president and thanked outgoing EDA board president Jeff Bolton for his term of service.
- VII. Election and Appointment of Officers. Chair Rybak opened the floor for Board officer nominations, while also noting that the Board Chair must be chosen from among the Board's state appointees and that the Secretary and Assistant Treasurer are positions appointed by the Chair. Ms. Wheelock nominated R.T. Rybak for Chair, Mayor Kim Norton for Vice Chair, and Commissioner Jim Bier as Treasurer. Council President Carlson seconded the nomination.

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

Nays: None.

Chair Rybak appointed Ms. Wheelock to the office of Board Secretary and Dale Martinson, City of Rochester Finance Director, to the office of Assistant Board Treasurer.

VIII. DMC Metrics. Patrick Seeb, EDA Executive Director, presented an update on local COVID-19 vaccination strategies, noting that widespread vaccinations were a key economic and community recovery milestone in the economic impact analysis the EDA produced in mid-2020. Rochester and Olmsted County vaccination rates exceed statewide averages. The EDA and community partners are monitoring other recovery metrics, including office and hotel occupancy rates, sales tax revenue, and visitation. Proactive recovery strategies include downtown programming, retail space activation, hybrid conference hosting, and the repurposing of commercial office space.

IX. Consent Agenda.

A. Resolution A: Authorizing an Extension to an Agreement with Risk Management Resources, Inc. Ms. Wheelock moved approval of Resolution A. Mayor Norton seconded.

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

Nays: None.

B. DMCC 2021 Budget Year-to-Date Update. Ms. Wheelock moved to receive and file the 2021 Year-to-Date Update. Mr. Williams seconded. Ms. Wheelock asked EDA, DMCC, and City staff to refine the report of DMC expenditures so that the Board may clearly understand how the various projects and expenses relate to approved DMC budgets, priorities, and projects. Other formatting improvements were suggested, including the possibility of seeing projects grouped by type (sewer, streets, etc.) and by time period (current approved project, possible future project, delayed project, etc.).

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

Nays: None.

X. DMCC Audit for Year Ending December 31, 2020. Craig Popenhagen of CliftonLarsonAllen presented the audited financial statements. No internal control or Minnesota legal compliance findings were reported and there were no audit findings or disagreements with management. Commissioner Bier noted that he conducted an exit interview with the auditing firm and moved approval. Ms. Wheelock seconded.

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

Nays: None.

XI. Project Approvals

- A. South of Downtown Waterfront Small Area Plan. Cindy Steinhauser, City of Rochester Deputy Administrator, provided a brief overview of the plan, which was presented in greater detail at the March 2021 DMCC Board meeting and recently unanimously accepted by the Rochester City Council. Mr. Campbell moved to receive and file the plan. Mr. Dougherty seconded.

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

Nays: None.

XII. Project Updates.

- A. Heart of the City. Jamie Rothe, EDA Experience and Engagement Director, provided several construction updates, noting that several portions of the redesigned public space are open for pedestrian and vehicle use. Ms. Rothe also noted that the principles of the “Business Forward” strategy used during construction are being applied to Discovery Walk, the reconstruction of North Broadway Avenue, and first phase of the Rochester rapid transit project. EDA staff are currently working through final project details and developing an “inaugural year” strategy that invites community members and stakeholders to visit and engage with the Heart of the City public space.

- B. Discovery Square. Chris Schad, EDA Business Development Director, provided updates on economic and public space development, including the full leasing of One Discovery Square and the announcement of the expansion of Mayo Clinic’s Kellen research building. Construction sequencing for Discovery Walk was reviewed with the Board, with staff noting that the project will now last only two construction seasons (spring 2022-late 2023), instead of three construction seasons. Construction bids are expected to be requested in September, 2021.

- C. Transportation. Catherine Malmberg, EDA Interim Economic Development Director, previewed upcoming key decisions related to the first phase of the rapid transit project, including the finalization of the operating agreement, station design, and the west transit village concept. Chair Rybak expressed a desire to include private developers and investors in the transit village development process to ensure housing, retail and other amenities are financed and developed.

- XIII. 2022 DMCC Funding Request: Priorities, Process and Timeline. Dr. Otley and Mr. Seeb introduced this discussion topic, noting that the DMCC Board is being asked to affirm DMC budget priorities and identify Board volunteers to advise staff during the drafting of the 2022 budget and work plan. Ms. Malmberg continued the report, reviewing the uses of DMC funding allowed in state statutes, the responsibilities of the EDA, and the forecasted availability and allocation of DMC funds through 2024. Mayor Norton asked staff to confirm the source of the \$250,000 approved for 2020 COVID-19 recovery and resiliency efforts. Ms. Malmberg also reviewed DMC goals, guiding

principles, agreed-upon priorities, key DMC partners and stakeholders, and the components of the annual funding request.

Ms. Wheelock, Mayor Norton, and Council President Carlson volunteered to advise staff. Chair Rybak invited other Board members to participate as their schedules allow. Mr. Williams emphasized the need to engage the community in budget and prioritization decisions.

XIV. EDA Updates.

A. Downtown Retail Recruitment Strategy. Mr. Seeb and Mr. Schad described the process and plan to create a strategy intended to fill downtown storefronts with a sustainable mix of businesses. The plan includes efforts to secure interim and long-term uses for available space. Chair Rybak suggested that local entrepreneurs could benefit from the availability of local business grants; Ms. Wheelock noted that the DMCC Board ought to understand the role of other stakeholders, including the City of Rochester, in supporting local business.

B. McKnight Grant. Kevin Bright, EDA Energy and Sustainability Director, reported that the EDA received \$335,000 to support equitable community development and sustainability efforts. Ms. Wheelock noted that she was not involved in the decision to award these grants during her tenure as interim President of the McKnight Foundation.

XV. Adjournment. Chair Rybak adjourned the meeting.

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 pstech@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.

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: _____

Signature: _____ Position: _____

DESTINATION MEDICAL CENTER CORPORATION

RESOLUTION NO. ___-2021

Approving the 2022 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 2022 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 2022 schedule on the website and to post notification by such other means as she determines necessary and appropriate.

<u>Date</u>	<u>Time</u>	<u>Location</u>
Thursday, February 3, 2022	9:30 a.m.	Mayo Civic Center
Thursday, May 26, 2022	9:30 a.m.	Mayo Civic Center
Thursday, September 22, 2022	9:30 a.m.	Mayo Civic Center
Thursday, November 10, 2022	9:30 a.m.	Mayo Civic Center

TO: Jim Bier, Treasurer
Kathleen Lamb, Attorney

FR: Dale Martinson, Assistant Treasurer

Date: September 22, 2021

RE: August 2021 DMCC Budget Summary



The attached budget summary of activity through August of 2021 reflects total year-to-date DMCC operating expenditures of \$ 1,180,959 of the \$2.5 million approved 2021 budget. The remaining amount unspent represents 53% of the total budget with four months, or 33% of the year remaining. An additional payment request totaling \$148,248 has been submitted by the DMC EDA in September, but not yet paid.

The second and third pages of this summary provides a listing of DMCC authorized projects managed by the City of Rochester. This part of the report is still a “work in progress”, but based upon prior board comments, we have tried to categorize the project spend in accordance with program budgets, improve wording of project titles, and consolidate some of the small project spend.

Approximately \$14.5 million has been spent on these projects through April of this year with the majority spent on Heart of the City construction and Discovery Walk and Rapid Transit design work. Total life-to-date expenditures on these projects is just over \$79.1 million.

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

Destination Medical Center Corporation
Financial Budget Summary
August 31, 2021

	2021 Approved Approved Budget	Current Month August 2021	August 2021 Year To Date	Amount Remaining	Percent Remaining
General Administrative Expenses	42,750	1,601	1,605	41,145	96%
Professional Services	206,000	16,518	83,293	122,707	60%
Insurance and Bonds	20,000	-	12,025	7,975	40%
	-	-	-	-	-
Subtotal DMCC	268,750	18,119	96,923	171,827	64%
Third Party Costs - DMC EDA					
Payroll, Staff, Administration & Benefits-EDA	997,931	50,389	533,921	464,010	46%
Operating Expenses	77,884	3,520	61,717	16,167	21%
Operational Costs - Contracted		1,324	13,003	(13,003)	
Economic Development Outreach & Support	533,161	2,538	60,368	472,793	89%
Professional Services	567,800	17,268	365,341	202,459	36%
Miscellaneous Expenses	59,000	-	49,686	9,314	16%
Subtotal EDA	2,235,776	75,039	1,084,036	1,151,740	52%
Total DMCC 2021	2,504,526	93,158	1,180,959	1,323,567	53%
Note: We received an additional DMC EDA pay request for August 2021 activity of \$143,248 in September				1,000	
		DMCC	Working Capital Note	75,000	
		EDA	Working Capital Note		

**DMCC Projects by Category
Managed by City of Rochester
Through August 2021**

PROJECT	YEAR TO DATE EXPENSES	PROJECT BUDGET	LIFE TO DATE EXPENSES	LIFE TO DATE ENCUMBRANCES
Administration				
C.8601 - City Project Administrative Costs-DMCC (Budget-Current Yr)	292,416	696,215	1,748,990	
C.8606 - City Staff Costs-DMCC - (Budget-Current Yr)	12,205	100,000	398,590	
C.8607 - County Staff Costs-DMCC			168,754	
C.8629 - Development Plan Update	6,145	750,000	154,960	
C.8632 - Downtown Changes COVID-19		250,000	43,524	
C.8902 - FestivalAreaStdy&ConceptDesign			84,133	
Total Administration	310,767	1,546,215	2,471,294	
Econ Development/Public Realm				
C.8624 - ChateauTheatreBldgImprov/Purch	69,631	8,802,937	8,525,337	-
C.8625 - Heart of the City	4,058,136	17,648,940	17,467,534	2,417,639
C.8633 - Strategic Development	2,210,750	7,000,000	2,210,750	
C.8904 - Discovery Walk	1,133,102	7,000,000	2,003,867	369,766
Total Econ Development/Public Realm	7,471,619	40,451,877	30,207,487	2,787,405
Infrastructure				
C.8611 - San. Sewer 12th Ave from 2nd St NW to 2nd St SW	1,106,127	2,850,000	2,380,991	4,258,744
C.8612 - West Zmbro San Sewer Lift Line from CookPk to Civic C Drive		50,000	46,592	
C.8626 - San. Sewer Upsize 1st Ave & 3rd Ave SE on 4th / Govt Cntr Siphon	14,099	8,500,000	8,633,020	
C.7326 - Reconst 4th St SW from 1st Ave to 6th Ave		2,205,789	2,205,789	
C.7319 - Reconst 7th Ave NW from 2nd St NwW to 4st NW		1,107,000	1,107,000	
C.7318 - Reconst North Broadway -	2,500,000	4,400,000	2,900,000	
C.7830 1st Street NW San Sewer Diversion from 1st Ave to Broadway	20,200	1,371,000	1,391,200	
Total Infrastructure	3,640,426	20,483,789	18,664,592	4,258,744

**DMCC Projects by Category
Managed by City of Rochester
Through August 2021**

PROJECT	YEAR TO DATE EXPENSES	PROJECT BUDGET	LIFE TO DATE EXPENSES	LIFE TO DATE ENCUMBRANCES
Transit				
C.8614 - DMCTransit&InfrastrctrPgrmMgmt		3,956,739	1,826,262	
C.8617 - Broadway @ Center Parking Ramp		10,500,000	10,500,000	
C.8618 - SharedParkngStudy&PrgmDevlpmnt		2,061,854	1,874,219	
C.8620 - City Loop Plan		1,209,938	968,732	
C.8621 - Transit Circulator Study		2,241,532	1,780,877	
C.8623 - DMCC Street Use Study		3,117,708	2,885,882	
C.8628 - Downtown Circulator Project			269,941	
C.8706 - DMCTransitCirculatorTODPlnStdy			829,414	
C.8707 - Rapid Transit Projects	2,910,561	5,452,000	5,061,681	49,750
C.8709 - Arrive Rochester Implementatn	37,890	60,000	60,829	
C.8903 - Dedicated Bike Lanes-3rd/4thAve&CtrSt	116,779		1,742,002	4,636
Total Transit	3,065,230	28,599,771	27,799,838	54,386
Grand Total	14,488,042	91,081,652	79,143,212	7,100,535

DESTINATION MEDICAL CENTER CORPORATION

RESOLUTION NO. ___-2021

**Approving the 2021 State of Minnesota Charitable
Organization Annual Report and 2020 Form 990**

BACKGROUND RECITALS

A. On behalf of the Destination Medical Center Corporation (“DMCC”), CliftonLarsonAllen (“CLA”) prepared the 2021 State of Minnesota Charitable Organization Annual Report (the “Annual Report”) and 2020 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 September 30, 2021, and are on file with the DMCC.

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED, by the Destination Medical Center Corporation, that the 2021 State of Minnesota Charitable Organization Annual Report and 2020 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.



Destination Medical
Center Corporation

September 2021

WEALTH ADVISORY | OUTSOURCING
AUDIT, TAX, AND CONSULTING

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


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IRS Form 990

- Financial information reconciles to DMCC's audited financial statements
- Part III (page 3) – statement of DMCC's organizational purpose
- Part VI (page 7) – governance
- Part VII (page 8) – board members



Create Opportunities

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IRS Form 990

- Schedule B (page 23) – contributors
- Schedule R (page 33) – related organizations
- No unrelated business income for 2020
- Filing deadline is November 15, 2021

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Create Opportunities

3

3

MN 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 15, 2021

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Create Opportunities

4

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Minnesota Non-profit Corporation Annual Registration

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- Filed online with Minnesota Secretary of State
- In good standing through December 31, 2021
- Annual renewal to be filed (online) for 2022



Thank you for engaging us to serve you!

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CLAcconnect.com

DESTINATION MEDICAL CENTER CORPORATION

FORM 990 INCOME TAX RETURN

FOR YEAR ENDED DECEMBER 31, 2020

DRAFT

IRS e-file Signature Authorization for an Exempt Organization

Form 8879-EO

For calendar year 2020, or fiscal year beginning _____, 2020, and ending _____, 20__

2020

Department of the Treasury Internal Revenue Service

Do not send to the IRS. Keep for your records.

Go to www.irs.gov/Form8879EO for the latest information.

Name of exempt organization or person subject to tax

Taxpayer identification number

DESTINATION MEDICAL CENTER CORPORATION

46-4959371

Name and title of officer or person subject to tax

JAMES V. BIER

TREASURER

Part I Type of Return and Return Information (Whole Dollars Only)

Check the box for the return for which you are using this Form 8879-EO and enter the applicable amount, if any, from the return. If you check the box on line 1a, 2a, 3a, 4a, 5a, 6a, or 7a below, and the amount on that line for the return being filed with this form was blank, then leave line 1b, 2b, 3b, 4b, 5b, 6b, or 7b, whichever is applicable, blank (do not enter -0-). But, if you entered -0- on the return, then enter -0- on the applicable line below. Do not complete more than one line in Part I.

Table with 2 columns: Line number and Description/Amount. Includes rows for Form 990, Form 990-EZ, Form 1120-POL, Form 990-PF, Form 8868, Form 990-T, and Form 4720.

Part II Declaration and Signature Authorization of Officer or Person Subject to Tax

Under penalties of perjury, I declare that [X] I am an officer of the above organization or [] I am a person subject to tax with respect to (name of organization) (EIN) and that I have examined a copy

of the 2020 electronic return and accompanying schedules and statements, and, to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the electronic return and, if applicable, the consent to electronic funds withdrawal.

PIN: check one box only

[X] I authorize CLIFTONLARSONALLEN LLP to enter my PIN 82924. Enter five numbers, but do not enter all zeros

as my signature on the tax year 2020 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I also authorize the aforementioned ERO to enter my PIN on the return's disclosure consent screen.

[] As an officer or person subject to tax with respect to the organization, I will enter my PIN as my signature on the tax year 2020 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I will enter my PIN on the return's disclosure consent screen.

Signature of officer or person subject to tax ***** THIS IS NOT A FILEABLE COPY *** Date

Part III Certification and Authentication

ERO's EFIN/PIN. Enter your six-digit electronic filing identification number (EFIN) followed by your five-digit self-selected PIN.

41712813129

Do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2020 electronically filed return indicated above. I confirm that I am submitting this return in accordance with the requirements of Pub. 4163, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature CRAIG POPENHAGEN Date 08/23/21

ERO Must Retain This Form - See Instructions Do Not Submit This Form to the IRS Unless Requested To Do So

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

Department of the Treasury
Internal Revenue Service

▶ **File a separate application for each return.**
▶ **Go to 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.

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.

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

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, NO. 204 - ROCHESTER, MN 55904**
Telephone No. ▶ **507-328-2850** Fax No. ▶ _____
- 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 15, 2021**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
 ▶ calendar year **2020** 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

3a 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.	3a	\$	0.
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.	3b	\$	0.
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$	0.

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.

Return of Organization Exempt From Income Tax

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

2020

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

A For the 2020 calendar year, or tax year beginning and ending

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	C Name of organization DESTINATION MEDICAL CENTER CORPORATION		D Employer identification number 46-4959371
	Doing business as		E Telephone number 507-328-2850
	Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	G Gross receipts \$ 2,349,677.
	201 4TH STREET SE	204	
	City or town, state or province, country, and ZIP or foreign postal code ROCHESTER, MN 55904		H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. See instructions
F Name and address of principal officer: JAMES V. BIER SAME AS C ABOVE		J Website: WWW.DMC.MN	
I 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		L Year of formation: 2013	
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		M State of legal domicile: MN	

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: PLANNING & IMPLEMENTATION OF DESTINATION MEDICAL CENTER DEVELOPMENT IN DOWNTOWN ROCHESTER, MN.		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3 8	
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4 8	
	5 Total number of individuals employed in calendar year 2020 (Part V, line 2a)	5 0	
	6 Total number of volunteers (estimate if necessary)	6 8	
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a 0.	
b Net unrelated business taxable income from Form 990-T, Part I, line 11	7b 0.		
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year 2,700,723.	Current Year 2,349,677.
	9 Program service revenue (Part VIII, line 2g)	0.	0.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	14.	0.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	0.	0.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	2,700,737.	2,349,677.
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0.	0.
	14 Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	0.	0.
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
	b Total fundraising expenses (Part IX, column (D), line 25) ▶ 0.		
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	2,700,737.	2,349,677.	
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	2,700,737.	2,349,677.	
19 Revenue less expenses. Subtract line 18 from line 12	0.	0.	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year 442,153.	End of Year 235,013.
	21 Total liabilities (Part X, line 26)	442,153.	235,013.
	22 Net assets or fund balances. Subtract line 21 from line 20	0.	0.

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.

Sign Here	Signature of officer	Date			
	JAMES V. BIER, TREASURER Type or print name and title				
Paid Preparer Use Only	Print/Type preparer's name CRAIG POPENHAGEN	Preparer's signature CRAIG POPENHAGEN	Date 08/23/21	Check if self-employed <input type="checkbox"/>	PTIN P01587689
	Firm's name ▶ CLIFTONLARSONALLEN LLP	Firm's EIN ▶ 41-0746749	Firm's address ▶ 2689 COMMERCE DRIVE NW, SUITE 201 ROCHESTER, MN 55901		
			Phone no. 507-280-2300		

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 [X] No

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? [] Yes [X] No

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 \$ 2,166,190. including grants of \$ 0.) (Revenue \$ 0.) 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 2,166,190.

Part IV Checklist of Required Schedules

Table with 3 columns: Question number, Yes, No. Contains 21 rows of questions regarding organizational requirements and schedules.

Part IV Checklist of Required Schedules (continued)

	Yes	No
22 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>		X
23 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>		X
24a 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>		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. 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>		X
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>		X
26 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>		X
27 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>		X
28 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):		
a A current or former officer, director, trustee, key employee, creator or founder, or substantial contributor? <i>If "Yes," complete Schedule L, Part IV</i>		X
b A family member of any individual described in line 28a? <i>If "Yes," complete Schedule L, Part IV</i>		X
c 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>		X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		X
32 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>		X
33 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>		X
34 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>	X	
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?		X
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>		
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		X
37 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>		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19?	X	

Note: All Form 990 filers are required to complete Schedule O

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
1a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable		
b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable		
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		

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

Form 990 (2020) table with columns for question number, question text, and Yes/No columns. Includes sections for employees, prohibited transactions, charitable contributions, and organizational information.

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 [X]

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a Enter the number of voting members of the governing body at the end of the tax year; 1b Enter the number of voting members included on line 1a, above, who are independent; 2 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?; 3 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?; 4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?; 5 Did the organization become aware during the year of a significant diversion of the organization's assets?; 6 Did the organization have members or stockholders?; 7a 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?; 7b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?; 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: a The governing body? b Each committee with authority to act on behalf of the governing body?; 9 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.

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

Table with 3 columns: Question, Yes, No. Rows include: 10a Did the organization have local chapters, branches, or affiliates?; 10b 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?; 11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?; 11b Describe in Schedule O the process, if any, used by the organization to review this Form 990.; 12a Did the organization have a written conflict of interest policy? If "No," go to line 13; 12b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?; 12c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done; 13 Did the organization have a written whistleblower policy?; 14 Did the organization have a written document retention and destruction policy?; 15 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?; 15a The organization's CEO, Executive Director, or top management official; 15b Other officers or key employees of the organization; 16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?; 16b 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?

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 [X] 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, NO. 204, ROCHESTER, MN 55904

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

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

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
 - List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
 - List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
 - List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
 - List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.
- See instructions for the order in which to list the persons above.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) R. T. RYBAK CHAIR	6.00	X		X				0.	0.	0.
(2) KIM NORTON VICE CHAIR	4.00	X		X				0.	0.	0.
(3) PAUL WILLIAMS SECRETARY	4.00	X		X				0.	0.	0.
(4) JAMES V. BIER TREASURER	4.00	X		X				0.	0.	0.
(5) PAMELA WHEELLOCK DIRECTOR	4.00	X						0.	0.	0.
(6) JAMES CAMPBELL DIRECTOR	4.00	X						0.	0.	0.
(7) MICHAEL DOUGHERTY DIRECTOR	4.00	X						0.	0.	0.
(8) BROOKE CARLSON DIRECTOR	4.00	X						0.	0.	0.

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
1b Subtotal							0.	0.	0.	
c Total from continuation sheets to Part VII, Section A							0.	0.	0.	
d Total (add lines 1b and 1c)							0.	0.	0.	

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **0**

	Yes	No
3 Did the organization list any former officer, director, trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>		X
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
DESTINATION MEDICAL CENTER ECONOMIC DEVELOP 195 SOUTH BROADWAY, ROCHESTER, MN 55905	DEVELOPMENT PLAN PREPARATION	2,165,840.
MCCRANN SHEA CARNIVAL STRAUGHN & LAMB, CHTD 800 NICOLLET MALL, SUITE 2600, MINNEAPOLIS,	LEGAL SERVICES	148,749.

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization **2**

Part VIII Statement of Revenue

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

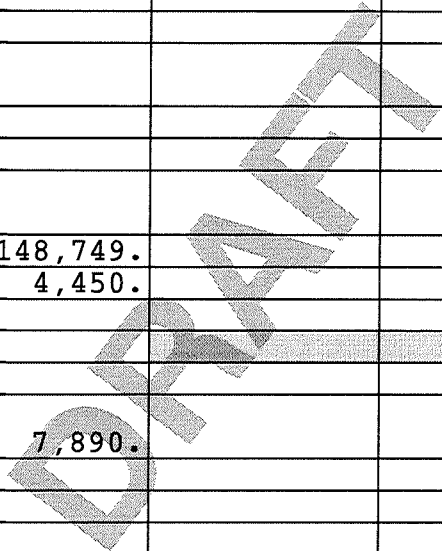
			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512 - 514	
Contributions, Gifts, Grants and Other Similar Amounts	1 a	Federated campaigns					
	1 b	Membership dues					
	1 c	Fundraising events					
	1 d	Related organizations					
	1 e	Government grants (contributions)	2,349,677.				
	1 f	All other contributions, gifts, grants, and similar amounts not included above					
	1 g	Noncash contributions included in lines 1a-1f	\$				
	h	Total. Add lines 1a-1f		2,349,677.			
Program Service Revenue	2 a						
	2 b						
	2 c						
	2 d						
	2 e						
	2 f	All other program service revenue					
	g	Total. Add lines 2a-2f					
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)					
	4	Income from investment of tax-exempt bond proceeds					
	5	Royalties					
	6 a	Gross rents	(i) Real				
			(ii) Personal				
			6a				
	6 b	Less: rental expenses	6b				
	6 c	Rental income or (loss)	6c				
	6 d	Net rental income or (loss)					
	7 a	Gross amount from sales of assets other than inventory	(i) Securities				
			(ii) Other				
			7a				
	7 b	Less: cost or other basis and sales expenses	7b				
	7 c	Gain or (loss)	7c				
	7 d	Net gain or (loss)					
8 a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18						
		8a					
		8b					
8 b	Less: direct expenses	8b					
8 c	Net income or (loss) from fundraising events						
9 a	Gross income from gaming activities. See Part IV, line 19						
		9a					
		9b					
9 b	Less: direct expenses	9b					
9 c	Net income or (loss) from gaming activities						
10 a	Gross sales of inventory, less returns and allowances						
		10a					
		10b					
10 b	Less: cost of goods sold	10b					
10 c	Net income or (loss) from sales of inventory						
Miscellaneous Revenue	11 a						
	11 b						
	11 c						
	11 d	All other revenue					
	11 e	Total. Add lines 11a-11d					
	12	Total revenue. See instructions		2,349,677.	0.	0.	0.

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

Table with 5 columns: (A) Total expenses, (B) Program service expenses, (C) Management and general expenses, (D) Fundraising expenses. Rows include categories like Grants, Salaries, Legal, Accounting, etc., with numerical values.



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
Assets	1		1	
	2	1,148.	2	896.
	3		3	
	4		4	
	5		5	
	6		6	
	7		7	
	8		8	
	9	72,177.	9	96,274.
	10a			
	b		10c	
	11		11	
	12		12	
	13		13	
	14		14	
	15	368,828.	15	137,843.
16	442,153.	16	235,013.	
Liabilities	17	318,976.	17	62,739.
	18		18	
	19	72,177.	19	96,274.
	20		20	
	21		21	
	22		22	
	23		23	
	24		24	
	25	51,000.	25	76,000.
	26	442,153.	26	235,013.
Net Assets or Fund Balances	Organizations that follow FASB ASC 958, check here <input checked="" type="checkbox"/> and complete lines 27, 28, 32, and 33.			
	27		27	
	28		28	
	Organizations that do not follow FASB ASC 958, check here <input type="checkbox"/> and complete lines 29 through 33.			
	29		29	
	30		30	
	31		31	
	32	0.	32	0.
33	442,153.	33	235,013.	

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	2,349,677.
2	Total expenses (must equal Part IX, column (A), line 25)	2	2,349,677.
3	Revenue less expenses. Subtract line 2 from line 1	3	0.
4	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	4	0.
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain on Schedule O)	9	0.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	10	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
1 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.		
2a 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		X
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	X	
c 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.	X	
3a 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?		X
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 (2020)

SCHEDULE A
(Form 990 or 990-EZ)

Public Charity Status and Public Support

OMB No. 1545-0047

2020

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

Attach to Form 990 or Form 990-EZ.

Go to www.irs.gov/Form990 for instructions and the latest information.

Name of the organization

DESTINATION MEDICAL CENTER CORPORATION

Employer identification number

46-4959371

Part I Reason for Public Charity Status. (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 of churches, 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 X 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)(vii). (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).

Table with 6 columns: (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? (Yes/No), (v) Amount of monetary support (see instructions), (vi) Amount of other support (see instructions).

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) 2016	(b) 2017	(c) 2018	(d) 2019	(e) 2020	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	2288339.	2471264.	2581655.	2700723.	2349677.	12391658.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3	2288339.	2471264.	2581655.	2700723.	2349677.	12391658.
5 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)						
6 Public support. Subtract line 5 from line 4.						12391658.

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2016	(b) 2017	(c) 2018	(d) 2019	(e) 2020	(f) Total
7 Amounts from line 4	2288339.	2471264.	2581655.	2700723.	2349677.	12391658.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources	1.	6.	14.	14.	0.	35.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
11 Total support. Add lines 7 through 10						12391693.
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First 5 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						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2020 (line 6, column (f), divided by line 11, column (f))	14	100.00	%
15 Public support percentage from 2019 Schedule A, Part II, line 14	15	100.00	%
16a 33 1/3% support test - 2020. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization	<input checked="" type="checkbox"/>		
b 33 1/3% support test - 2019. 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 stop here. The organization qualifies as a publicly supported organization	<input type="checkbox"/>		
17a 10% -facts-and-circumstances test - 2020. 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 stop here. 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 10% -facts-and-circumstances test - 2019. 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 stop here. Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization	<input type="checkbox"/>		
18 Private foundation. 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) 2020

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) 2016	(b) 2017	(c) 2018	(d) 2019	(e) 2020	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 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						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
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						
c Add lines 7a and 7b						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2016	(b) 2017	(c) 2018	(d) 2019	(e) 2020	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						

14 First 5 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

15 Public support percentage for 2020 (line 8, column (f), divided by line 13, column (f))	15	%
16 Public support percentage from 2019 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2020 (line 10c, column (f), divided by line 13, column (f))	17	%
18 Investment income percentage from 2019 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2020. 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 - 2019. 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 box 12a, Part I, complete Sections A and B. If you checked box 12b, Part I, complete Sections A and C. If you checked box 12c, Part I, complete Sections A, D, and E. If you checked box 12d, Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

	Yes	No
1 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>		
2 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>		
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? <i>If "Yes," answer lines 3b and 3c below.</i>		
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>		
c 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>		
4a Was any supported organization not organized in the United States ("foreign supported organization")? <i>If "Yes," and if you checked box 12a or 12b in Part I, answer lines 4b and 4c below.</i>		
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>		
c 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>		
5a Did the organization add, substitute, or remove any supported organizations during the tax year? <i>If "Yes," answer lines 5b and 5c 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 Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
c Substitutions only. Was the substitution the result of an event beyond the organization's control?		
6 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>		
7 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>		
8 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>		
9a 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 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>		
c 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>		
10a 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 line 10b below.</i>		
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
11 Has the organization accepted a gift or contribution from any of the following persons?		
a A person who directly or indirectly controls, either alone or together with persons described in lines 11b and 11c below, the governing body of a supported organization?		
b A family member of a person described in line 11a above?		
c A 35% controlled entity of a person described in line 11a or 11b above? <i>If "Yes" to line 11a, 11b, or 11c, provide detail in Part VI.</i>		

Section B. Type I Supporting Organizations

	Yes	No
1 Did the governing body, members of the governing body, officers acting in their official capacity, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's officers, directors, or trustees at all times during the tax year? <i>If "No," describe in Part VI 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 officers, directors, or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.</i>		
2 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? <i>If "Yes," explain in Part VI how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.</i>		

Section C. Type II Supporting Organizations

	Yes	No
1 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)? <i>If "No," describe in Part VI how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).</i>		

Section D. All Type III Supporting Organizations

	Yes	No
1 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?		
2 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? <i>If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).</i>		
3 By reason of the relationship described in line 2, above, 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? <i>If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.</i>		

Section E. Type III Functionally Integrated Supporting Organizations

1 Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions).		
a <input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below.		
b <input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 below.		
c <input type="checkbox"/> The organization supported a governmental entity. Describe in Part VI how you supported a governmental entity (see instructions).		
2 Activities Test. Answer lines 2a and 2b below.		
a 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? <i>If "Yes," then in Part VI 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.</i>		
b Did the activities described in line 2a, above, constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? <i>If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.</i>		
3 Parent of Supported Organizations. Answer lines 3a and 3b below.		
a 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? <i>If "Yes" or "No" provide details in Part VI.</i>		
b Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? <i>If "Yes," describe in Part VI the role played by the organization in this regard.</i>		

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	Adjusted Net Income (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	Total (add lines 1a, 1b, and 1c)	1d	
e	Discount claimed for blockage or other factors (<i>explain in detail in Part VI</i>):		
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 0.015 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 0.035.	6	
7	Recoveries of prior-year distributions	7	
8	Minimum Asset Amount (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 0.85 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	Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions).	6	

7 Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions).

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

Section D - Distributions		Current Year
1	Amounts paid to supported organizations to accomplish exempt purposes	1
2	Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	2
3	Administrative expenses paid to accomplish exempt purposes of supported organizations	3
4	Amounts paid to acquire exempt-use assets	4
5	Qualified set-aside amounts (prior IRS approval required - provide details in Part VI)	5
6	Other distributions (describe in Part VI). See instructions.	6
7	Total annual distributions. Add lines 1 through 6.	7
8	Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI). See instructions.	8
9	Distributable amount for 2020 from Section C, line 6	9
10	Line 8 amount divided by line 9 amount	10

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2020	(iii) Distributable Amount for 2020
1	Distributable amount for 2020 from Section C, line 6		
2	Underdistributions, if any, for years prior to 2020 (reasonable cause required - explain in Part VI). See instructions.		
3	Excess distributions carryover, if any, to 2020		
a	From 2015		
b	From 2016		
c	From 2017		
d	From 2018		
e	From 2019		
f	Total of lines 3a through 3e		
g	Applied to underdistributions of prior years		
h	Applied to 2020 distributable amount		
i	Carryover from 2015 not applied (see instructions)		
j	Remainder. Subtract lines 3g, 3h, and 3i from line 3f.		
4	Distributions for 2020 from Section D, line 7: \$		
a	Applied to underdistributions of prior years		
b	Applied to 2020 distributable amount		
c	Remainder. Subtract lines 4a and 4b from line 4.		
5	Remaining underdistributions for years prior to 2020, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, explain in Part VI. See instructions.		
6	Remaining underdistributions for 2020. Subtract lines 3h and 4b from line 1. For result greater than zero, explain in Part VI. See instructions.		
7	Excess distributions carryover to 2021. Add lines 3j and 4c.		
8	Breakdown of line 7:		
a	Excess from 2016		
b	Excess from 2017		
c	Excess from 2018		
d	Excess from 2019		
e	Excess from 2020		

Schedule A (Form 990 or 990-EZ) 2020

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.)

DRAFT

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 for the latest information.

OMB No. 1545-0047

2020

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 foundation

Check 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 (entering "N/A" in column (b) instead of the contributor name and address), 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

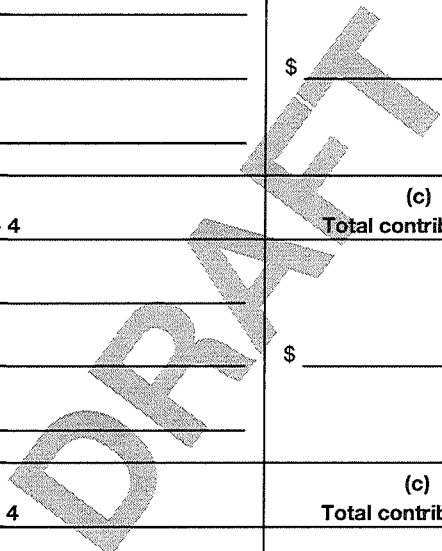
Employer identification number

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	\$ 2,349,677.	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.)



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
_____	_____
_____	_____
_____	_____

(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
_____	_____
_____	_____
_____	_____

(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
_____	_____
_____	_____
_____	_____

(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
_____	_____
_____	_____
_____	_____

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 for instructions and the latest information.

OMB No. 1545-0047

2020

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.

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows include: 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...?, 6 Did the organization inform all grantees...?

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

Form with multiple sections: 1 Purpose(s) of conservation easements, 2 Complete lines 2a through 2d if the organization held a qualified conservation contribution..., 3 Number of conservation easements modified..., 4 Number of states where property subject to conservation easement is located..., 5 Does the organization have a written policy..., 6 Staff and volunteer hours..., 7 Amount of expenses..., 8 Does each conservation easement..., 9 In Part XIII, describe how the organization reports...

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.

Form with sections: 1a If the organization elected, as permitted under FASB ASC 958, not to report..., 1b If the organization elected, as permitted under FASB ASC 958, to report..., 2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts...

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?

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?
b If "Yes," explain the arrangement in Part XIII and complete the following table:
Table with columns: Amount, 1c Beginning balance, 1d Additions during the year, 1e Distributions during the year, 1f Ending balance
2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability?
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.

Table with 6 columns: (a) Current year, (b) Prior year, (c) Two years back, (d) Three years back, (e) Four years back. Rows include: 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
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.

Table with 5 columns: Description of property, (a) Cost or other basis (investment), (b) Cost or other basis (other), (c) Accumulated depreciation, (d) Book value. Rows include: 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.)

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)		
Total. (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)		
Total. (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	75,000.
(2) DUE FROM OTHER GOVERNMENTS	62,843.
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.)	
	137,843.

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	76,000.
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.)	
	76,000.

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

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.

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

Table with 5 main rows and sub-rows (a-e) for adjustments. Total revenue reported as 2,349,677.

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.

Table with 5 main rows and sub-rows (a-e) for adjustments. Total expenses reported as 2,349,677.

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.

Multiple horizontal lines provided for entering supplemental 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 for the latest information.

OMB No. 1545-0047

2020

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 1:

THE EXECUTIVE COMMITTEE IS COMPRISED OF THE CHAIR, TREASURER, AND SUCH
OTHER PERSONS, IF ANY, ELECTED BY THE BOARD OF DIRECTORS. THE MARJORITY OF
THE MEMBERS OF THE EXECUTIVE COMMITTEE SHALL BE DIRECTORS. THE EXECUTIVE
COMMITTEE SHALL ACT ONLY DURING INTERVALS BETWEEN MEETINGS OF THE BOARD OF
DIRECTORS AND SHALL AT ALL TIMES BE SUBJECT TO THE CONTROL AND DIRECTION OF
THE BOARD OF DIRECTIONS. DURING SUCH INTERVALS AND SUBJECT TO SUCH CONTROL
AND DIRECTION, THE EXECUTIVE COMMITTEE SHALL HAVE AND MAY EXERCISE ALL OF
THE AUTHORITY AND POWERS OF THE BOARD OF DIRECTORS IN THE MANAGEMENT OF THE
AFFAIRS OF THE ORGANIZATION.

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 OLMSTED 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

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

Schedule O (Form 990 or 990-EZ) 2020

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

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.

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 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

Name of the organization

DESTINATION MEDICAL CENTER CORPORATION

Employer identification number

46-4959371

ITS INDEPENDENT ACCOUNTANT.

DRAFT

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 for instructions and the latest information.

OMB No. 1545-0047

2020

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.

Table with 6 columns: (a) Name, address, and EIN of disregarded entity; (b) Primary activity; (c) Legal domicile; (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.

Table with 7 columns: (a) Name, address, and EIN of related organization; (b) Primary activity; (c) Legal domicile; (d) Exempt Code section; (e) Public charity status; (f) Direct controlling entity; (g) Section 512(b)(13) controlled entity?

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

Schedule R (Form 990) 2020

Part III Identification of Related Organizations Taxable as a Partnership. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related organizations treated as a partnership during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?	(k) Percentage ownership
							Yes	No			

Part IV Identification of Related Organizations Taxable as a Corporation or Trust. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related organizations treated as a corporation or trust during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	
								Yes	No

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.

- 1 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?
 - a Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity
 - b Gift, grant, or capital contribution to related organization(s)
 - c Gift, grant, or capital contribution from related organization(s)
 - d Loans or loan guarantees to or for related organization(s)
 - e Loans or loan guarantees by related organization(s)
 - f Dividends from related organization(s)
 - g Sale of assets to related organization(s)
 - h Purchase of assets from related organization(s)
 - i Exchange of assets with related organization(s)
 - j Lease of facilities, equipment, or other assets to related organization(s)
 - k Lease of facilities, equipment, or other assets from related organization(s)
 - l Performance of services or membership or fundraising solicitations for related organization(s)
 - m Performance of services or membership or fundraising solicitations by related organization(s)
 - n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)
 - o Sharing of paid employees with related organization(s)
 - p Reimbursement paid to related organization(s) for expenses
 - q Reimbursement paid by related organization(s) for expenses
 - r Other transfer of cash or property to related organization(s)
 - s Other transfer of cash or property from related organization(s)

2 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	Yes	No
(1)						
(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.

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(e) Are all partners sec. 501(c)(3) orgs.?		(f) Share of total income	(g) Share of end-of-year assets	(h) Dispropor- tionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	

Part VII Supplemental Information

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

DRAFT

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

(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: 12312020

mm/dd/yyyy

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

Mailing Address: <u>DALE MARTINSON</u> Contact Person <u>201 4TH STREET SE, NO. 204</u> Street Address <u>ROCHESTER, MN 55904</u> City, State, and ZIP Code <u>507-328-2850</u> Phone Number <u>DMARTINSON@ROCHESTERMN.GOV</u> Email Address	Physical Address: <u>DALE MARTINSON</u> Contact Person <u>201 4TH STREET SE, NO. 204</u> Street Address <u>ROCHESTER, MN 55904</u> City, State, and ZIP Code <u>507-328-2850</u> Phone Number <u>DMARTINSON@ROCHESTERMN.GOV</u> 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: \$ 2,349,677.

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

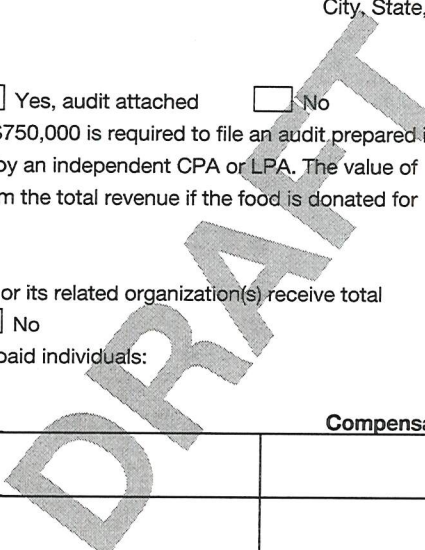
10. Is the organization a food shelf? Yes No
 If yes, is the organization required to file an audit? Yes, audit attached No

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
5. TOTAL INCOME	\$ _____	5

EXPENSES

6. Program Expenses	\$ _____	6
7. Management & General Expenses	\$ _____	7
8. Fund-raising Expenses	\$ _____	8
9. TOTAL EXPENSES	\$ _____	9
10. EXCESS or DEFICIT	\$ _____	10
(Line 5 minus Line 9)		

ASSETS

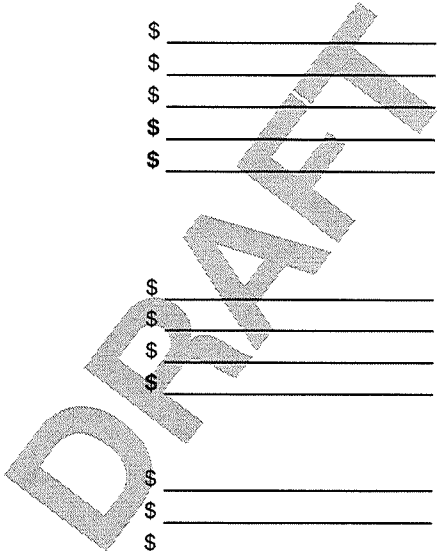
11. Cash	\$ _____	11
12. Land, Buildings & Equipment	\$ _____	12
13. Other Assets	\$ _____	13
14. TOTAL ASSETS	\$ _____	14

LIABILITIES

15. Accounts Payable	\$ _____	15
16. Grants Payable	\$ _____	16
17. Other Liabilities	\$ _____	17
18. TOTAL LIABILITIES	\$ _____	18

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

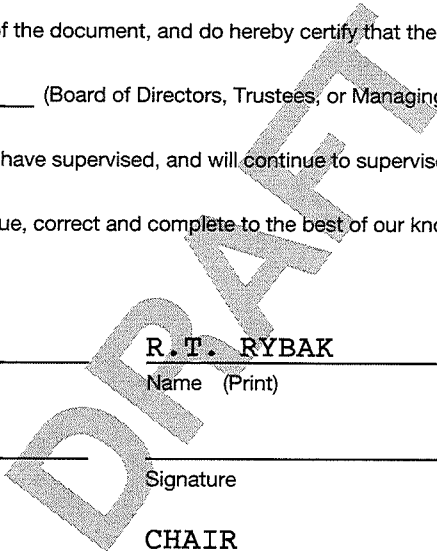
Name (Print)

Signature

CHAIR

Title

Date



2022 DMC Funding Request

To: DMC Corp. Board of Directors

From: DMC EDA

Date: September 24, 2021

Request of the board of directors:

- Approve the 2022 DMC 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 with five-year projections, including capital and operating costs
- Workplan for the DMC EDA and City DMC project management team
- Request for the extension of the DMC Corp. and DMC EDA working capital loans

From May-August 2021, members of the DMC EDA and DMC Corp. boards volunteered to advise DMC EDA and City staff in the creation of the funding request.

Following its formal review, the DMC EDA board of directors recommends the approval of the 2022 DMC Funding Request.

Next Steps:

- October 2021: Rochester City Council considers 2022 DMCC funding request

Public Realm						
DESCRIPTION	2022 DMC FUNDING SOURCE	PROPOSED 2022 DMC FUNDING	PROJECTED 2023 DMC FUNDING	PROJECTED 2024 DMC FUNDING	PHASE 2 (2020-2024) DMC FUNDING	
part of the City: Construction	DMC GSIA	\$600,000				
theatre: Improvements and Asset Preservation	DMC GSIA	\$350,000	\$1,000,000	\$100,000		
Discovery Walk: Construction	DMC GSIA	\$7,000,000	\$1,720,000			
Education-Recreation Subdistrict (Soldiers Memorial Field Park): Public Realm Planning and Design	DMC GSIA	\$500,000	\$4,500,000			
Downtown Waterfront: Riverfront Planning and Design	DMC GSIA		\$5,000,000			
part of the City: Public Realm connection to the Mayo Civic Center				\$1,200,000		
at Marys Place: Public Realm Design and Construction	DMC GSIA		\$300,000	\$3,000,000		
		2022 Subtotal	2023 Subtotal	2024 Subtotal	Phase 2 Subtotal (2020-2024)	Phase 2 Target R
		\$8,450,000	\$12,520,000	\$4,300,000	\$51,270,000	\$35-50M
Mobility						
DESCRIPTION	2022 DMC FUNDING SOURCE	PROPOSED 2022 DMC FUNDING	PROJECTED 2023 DMC FUNDING	PROJECTED 2024 DMC FUNDING	PHASE 2 (2020-2024) DMC FUNDING	
Transportation Management: Arrive Rochester TMA Implementation	City DMC Aid	\$180,000	\$180,000	\$180,000		
	DMC GSIA	\$2,040,277	\$1,953,000	\$1,780,463		
apid Transit: Second Street Reconstruction & Streetscape	DMC County Transit Aid	\$4,155,534	\$4,542,581	\$3,368,588		
	DMC State Transit Aid	\$10,388,836	\$11,356,451	\$8,421,470		
apid Transit: Phase II Planning	City DMC Aid	\$200,000	\$300,000			
		2022 Subtotal	2023 Subtotal	2024 Subtotal	Phase 2 Subtotal (2020-2024)	Phase 2 Target R
		\$16,964,647	\$18,332,032	\$14,750,521	\$65,841,200	\$60-75M
Strategic Redevelopment						
DESCRIPTION	2022 DMC FUNDING SOURCE	PROPOSED 2022 DMC FUNDING	PROJECTED 2023 DMC FUNDING	PROJECTED 2024 DMC FUNDING	PHASE 2 (2020-2024) DMC FUNDING	
Private Project Infrastructure	DMC GSIA	\$3,000,000	\$3,000,000	\$3,000,000		
		2022 Subtotal	2023 Subtotal	2024 Subtotal	Phase 2 Subtotal (2020-2024)	Phase 2 Target R
		\$3,000,000	\$3,000,000	\$3,000,000	\$23,300,000	\$20-45M
Streets and Sewers						
DESCRIPTION	2022 DMC FUNDING SOURCE	PROPOSED 2022 DMC FUNDING	PROJECTED 2023 DMC FUNDING	PROJECTED 2024 DMC FUNDING	PHASE 2 (2020-2024) DMC FUNDING	
Energy and Sustainability: District Energy System	DMC GSIA	\$1,800,000				
sewer: Construct sanitary sewer capacity bypass on 3rd Ave SW from 2nd St SW to 4th St SW			\$50,000	\$1,500,000		
Streets: Discovery Square roadway improvements, utility replacements, upgrades and relocations for water and electric	DMC GSIA	\$789,000				
Sidewalks: Downtown sidewalk experience enhancement: ADA improvements, increase public realm space & aesthetic integration	DMC GSIA	\$2,051,625				
		2022 Subtotal	2023 Subtotal	2024 Subtotal	Phase 2 Subtotal (2020-2024)	Phase 2 Target R
		\$4,640,625	\$50,000	\$1,500,000	\$22,277,223	\$35-50M
Operations						
DESCRIPTION	2022 DMC FUNDING SOURCE	PROPOSED 2022 DMC FUNDING	PROJECTED 2023 DMC FUNDING	PROJECTED 2024 DMC FUNDING	PHASE 2 (2020-2024) DMC FUNDING	
MC Corp.	City DMC Aid	\$247,000	\$253,000	\$259,000		
MC administrative support by City of Rochester	City DMC Aid	\$100,000	\$100,000	\$100,000		
MC EDA	City DMC Aid	\$2,190,000	\$2,244,750	\$2,300,870		
City DMC Project Management	City DMC Aid	\$738,616	\$757,081	\$776,008		
		2022 Subtotal	2023 Subtotal	2024 Subtotal	Phase 2 Subtotal (2020-2024)	Phase 2 Target R
		\$3,275,616	\$3,354,831	\$3,435,878	\$17,984,237	\$15-20M
		2022 DMC Funding Total	2023 DMC Funding Total	2024 DMC Funding Total	Phase 2 Total (2020-2024)	Phase 2 Target R
		\$36,330,888	\$37,256,863	\$26,986,399	\$180,672,660	\$200,000,000

Heart of the City



Department: CIP Business Unit:
 Division: Project Number:
 Contact Person:
 Location:
 Project Category:
 Department Priority: Ward:

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. The project budget included here is intended for the completion of phase one construction of the public realm project located in the Heart of the City sub-district.

Purpose, Justification & Benefits:

To achieve the vision and goals set forth in the Destination Medical Center (DMC) Development Plan. A stated objective within the DMC Development Plan is to construct a signature public realm space for each sub-district. This budget will be used to complete the construction of the first phase of this sub-district's signature public realm space.

What is the grant status for the project?:

Foundation Principles Supported:

Strategic Priorities Supported:

Department Funding Request:

Anticipated Funding Source	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
State DMC Funds	600,000	0	0	0	0	0	600,000
Funding Request Row Total:	600,000	0	0	0	0	0	600,000

Project Cost Breakdown:

Major Expense Category	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
Construction	600,000	0	0	0	0	0	600,000
Project Cost Breakdown Row Total:	600,000	0	0	0	0	0	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:

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:

Chateau Theatre Improvements



Department: CIP Business Unit:
 Division: Project Number:
 Contact Person:
 Location:
 Project Category:
 Department Priority: Ward:

Project Description:
 Chateau restroom renovations will be completed in 2022. Major upgrades to the HVAC system are planned for 2023.

Purpose, Justification & Benefits:
 There are aspects of the building that need repair or enhancement in order to maintain and utilize the existing asset.

What is the grant status for the project?:

Foundation Principles Supported:

Strategic Priorities Supported:

Department Funding Request:

Anticipated Funding Source	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
Sales Tax DMC	350,000	1,000,000	100,000	100,000	100,000	100,000	1,750,000
Funding Request Row Total:	350,000	1,000,000	100,000	100,000	100,000	100,000	1,750,000

Project Cost Breakdown:

Major Expense Category	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
Implementation	350,000	1,000,000	100,000	100,000	100,000	100,000	1,750,000
Project Cost Breakdown Row Total:	350,000	1,000,000	100,000	100,000	100,000	100,000	1,750,000

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:

Discovery Walk



Department: CIP Business Unit:
 Division: Project Number:
 Contact Person:
 Location:
 Project Category:
 Department Priority: Ward:

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?:

Foundation Principles Supported:

Strategic Priorities Supported:

Department Funding Request:

Anticipated Funding Source	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
State DMC Funds	7,000,000	1,720,000	0	0	0	0	8,720,000
Funding Request Row Total:	7,000,000	1,320,000	0	0	0	0	8,320,000

Project Cost Breakdown:

Major Expense Category	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
Construction	7,000,000	1,320,000	0	0	0	0	8,320,000
Project Cost Breakdown Row Total:	7,000,000	1,320,000	0	0	0	0	8,320,000

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:

Discovery Walk - Phase 2



Department: CIP Business Unit:
 Division: Project Number:
 Contact Person:
 Location:
 Project Category:
 Department Priority: Ward:

Project Description:

Phase 2 of Discovery Walk will extend the project into Soldiers Field to the Zumbro River and east down to 6th Street to Broadway. This extension of the project will make a physical connection to the urban core of downtown to the park amenities of Soldiers Field and the natural features of the Zumbro River. This future integration, in addition to a proposed 6th Street bridge, will enhance access to the Slatterly Park and Sunnyside neighborhoods southeast of downtown; it will also further integrate DMC sub-districts like the UMR and Recreations District and the Downtown Waterfront District.

Purpose, Justification & Benefits:

A consistent theme expressed during community engagement is that Discovery Walk should not terminate at 6th Street and instead should extend into Soldiers Field to create connectivity to nature and the river. Based on that feedback, we included a design scope for northern Soldiers Field as a part of the phase 2 extension of Discovery Walk. As higher density development continues to occur along the Discovery Walk and throughout the DMC district, access to quality public open space becomes essential to meet Council priorities for equitable housing and development. Discovery Walk phase 2 plays a vital role in linking future development opportunities east of Broadway via an envisioned 6th Street Bridge. Additionally, Discovery Walk Phase 2 further enhances the network of DMC sub-districts, transit locations, and future riverfront improvements.

What is the grant status for the project?:

Foundation Principles Supported:

Strategic Priorities Supported:

Department Funding Request:

Anticipated Funding Source	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
State DMC Funds	500,000	4,500,000	0	0	0	0	5,000,000
Funding Request Row Total:	500,000	4,500,000	0	0	0	0	5,000,000

Project Cost Breakdown:

Major Expense Category	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
Consulting or Study	500,000	0	0	0	0	0	500,000
Construction	0	4,500,000	0	0	0	0	4,500,000
Project Cost Breakdown Row Total:	500,000	4,500,000	0	0	0	0	5,000,000

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

This would be in alignment with the City's comprehensive plan as well as the master park plan.

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.:

Operating costs will be estimated through the design phase of the project.

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

Arrive Rochester



Department: CIP Business Unit:
 Division: Project Number:
 Contact Person:
 Location:
 Project Category:
 Department Priority: Ward:

Project Description:

Provide new programs to make it easier for commuters to travel in carpools, by bus, on foot or by bike. The software is meant to encourage a mode shift among the community.

Purpose, Justification & Benefits:

Arrive Rochester takes a leadership role in implementing Travel Demand Management efforts. Aim to reduce the number of people driving alone to work in Rochester to ease traffic congestion and improve air quality. This tactic was also identified in the approved Integrated Transit Study plan as a key to ensure the community realizes its mode shift over time. This work will help ensure the investments made in infrastructure are readily understood by the community and ultimately used at the levels intended.

What is the grant status for the project?:

Foundation Principles Supported:

Strategic Priorities Supported:

Department Funding Request:

Anticipated Funding Source	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
Sales Tax DMC	180,000	180,000	180,000	180,000	180,000	180,000	1,080,000
Funding Request Row Total:	180,000	180,000	180,000	180,000	180,000	180,000	1,080,000

Project Cost Breakdown:

Major Expense Category	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
Implementation	180,000	180,000	180,000	180,000	180,000	180,000	1,080,000
Project Cost Breakdown Row Total:	180,000	180,000	180,000	180,000	180,000	180,000	1,080,000

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.:

Not applicable as the programs do not generate additional operating costs or reduce any operating costs in general.

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

Rapid Transit Implementation



Department: CIP Business Unit:
 Division: Project Number:
 Contact Person:
 Location:
 Project Category:
 Department Priority: Ward:

Project Description:

The Rochester Downtown Transit Circulator will provide high quality downtown public transportation service for residents, commuters, businesses, patients, students, and visitors that will support the City of Rochester and Destination Medical Center (DMC) district transportation, economic development, and livability goals and substantially increase public transportation use downtown.

Purpose, Justification & Benefits:

Implementation of the circulator route was a top priority of the Integrated Transit Studies. The circulator route is intended to develop a cost-effective transitway that increases transit use among corridor residents, commuters, businesses, patients, students, and visitors. Also, to catalyze and support housing and economic development along the corridor. Last, to support healthy, active communities and encourage sustainability.

What is the grant status for the project?:

Foundation Principles Supported:

Strategic Priorities Supported:

Department Funding Request:

Anticipated Funding Source	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
Federal Funds	2,100,000	23,939,321	26,352,979	3,694,000	0	0	56,086,300
State DMC Funds	2,040,277	1,953,000	1,780,463	0	0	0	5,773,740
Water Utility	0	0	150,000	0	0	0	150,000
Special Assessment Bonds	0	0	750,000	0	0	0	750,000
Operating Transfer – From Sewer Utility	0	0	225,000	0	0	0	225,000
Transit Aid State DMC	10,388,836	11,356,451	8,421,470	0	0	0	30,166,757
Transit Aid County DMC	4,155,534	4,542,581	3,368,588	0	0	0	12,066,703
Funding Request Row Total:	18,684,647	41,791,353	41,048,500	3,694,000	0	0	105,218,500

Project Cost Breakdown:

Major Expense Category	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
Implementation	0	25,000,000	900,000	0	0	0	25,900,000
Architect/Design	1,200,000	100,000	100,000	0	0	0	1,400,000
Project Management	50,000	1,000,000	1,000,000	0	0	0	2,050,000
Construction	17,434,647	15,691,353	39,048,500	3,694,000	0	0	75,868,500
Project Cost Breakdown Row Total:	18,684,647	41,791,353	41,048,500	3,694,000	0	0	105,218,500

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.:

This annual operating cost estimate starts with the current hourly operating rate paid by RPT to First Transit. This hourly rate has been escalated by 30% to account for inflation and changes to contract. Then service was expanded from 5am to midnight.

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

ITS Implementation Phase II



Department: CIP Business Unit:
 Division: Project Number:
 Contact Person:
 Location:
 Project Category:
 Department Priority: Ward:

Project Description:

The details of this transportation related project have not yet been determined, but the project and these funds represent a phase two project implementation in relation to the Integrated Transit Studies. Funding years and amounts will continue to evolve as the development of a phase II plan is finalized. Phase 2 of the transit plan will explore the extension of the Rapid Transit system to the southeast portion of the city.

Purpose, Justification & Benefits:

Will enhance mobility for citizens, visitors, workers, etc. commuting to areas within the Destination Medical Center.

What is the grant status for the project?:

Foundation Principles Supported:

Strategic Priorities Supported:

Department Funding Request:

Anticipated Funding Source	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
Transit Aid County DMC	0	0	0	0	400,000	3,000,000	3,400,000
Transit Aid State DMC	0	0	0	0	600,000	4,500,000	5,100,000
Sales Tax DMC	200,000	300,000	0	0	0	0	500,000
Funding Request Row Total:	200,000	300,000	0	0	1,000,000	7,500,000	9,000,000

Project Cost Breakdown:

Major Expense Category	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
Implementation	0	0	0	0	1,000,000	7,500,000	8,500,000
Consulting or Study	200,000	300,000	0	0	0	0	500,000
Project Cost Breakdown Row Total:	200,000	300,000	0	0	1,000,000	7,500,000	9,000,000

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.:

Operating costs and cost recovery shall be projected and considered as part of the development of the phase II plan and implementation strategy.

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

Strategic Redevelopment



Department: CIP Business Unit:
 Division: Project Number:
 Contact Person:
 Location:
 Project Category:
 Department Priority: Ward:

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. The funds would be used in accordance with the approved expenditures outlined in the DMC legislation and strategically used to invest in the downtown area or areas that arise which would advance the DMCC Board's stated priorities such as transit, workforce, affordable housing and a variety of others.

What is the grant status for the project?:

Foundation Principles Supported:

Strategic Priorities Supported:

Department Funding Request:

Anticipated Funding Source	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
State DMC Funds	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	18,000,000
Funding Request Row Total:	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	18,000,000

Project Cost Breakdown:

Major Expense Category	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
Implementation	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	18,000,000
Project Cost Breakdown Row Total:	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	18,000,000

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:

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.:

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:

Downtown District Energy System



Department: CIP Business Unit:
 Division: Project Number:
 Contact Person:
 Location:
 Project Category:
 Department Priority: Ward:

Project Description:

This project would add heating and cooling capacity to areas in the downtown Destination Medical Center district. Equipment evaluated for this concept can create both heating and cooling energy simultaneously and in a very efficient manner. Downtown government buildings (Library, City Hall, Mayo Civic Center, Civic Theater and Art Center) will be the first facilities to be heated and cooled by this system. Future private facilities or developments could also be served by the system.

Purpose, Justification & Benefits:

District energy will replace less efficient systems and reduce our carbon footprint. A system such as this would reduce cost and ongoing operations and maintenance fees, while providing an efficient, reliable, and carbon-free heating and cooling source by 2030. The concept could also work to improve aesthetics, provide more building space for programming instead of mechanical equipment, reduce air pollution and emissions in Rochester, and the DES technology allows for further optimization with renewable systems and other operational practices. Additionally, the noted government buildings are currently heated & cooled by the Olmsted County waste to energy facility and related steam lines. Due to cost to operate and maintain the steam lines the county has opted to decommission these lines by October 2023 and therefore the city government buildings need an alternative heating and cooling system in place by that time.

What is the grant status for the project?:

Foundation Principles Supported:

Strategic Priorities Supported:

Department Funding Request:

Anticipated Funding Source	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
State DMC Funds	1,800,000	0	0	0	0	0	1,800,000
General Obligation Bonds	2,575,000	0	0	0	0	0	2,575,000
State Funds	10,000,000	0	0	0	0	0	10,000,000
Funding Request Row Total:	14,375,000	0	0	0	0	0	14,375,000

Project Cost Breakdown:

Major Expense Category	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
Construction	14,375,000	0	0	0	0	0	14,375,000
Project Cost Breakdown Row Total:	14,375,000	0	0	0	0	0	14,375,000

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

The project would be in alignment with long term strategies and the development plans of both the DMC and City of Rochester.

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.:

Operating costs and cost recovery shall be projected and considered as part of the implementation of this project.

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

Downtown Sidewalk Experience Enhancement



Department: CIP Business Unit:
 Division: Project Number:
 Contact Person:
 Location:
 Project Category:
 Department Priority: Ward:

Project Description:
 The project will focus on replacing aging concrete panels causing tripping hazards mainly along sections of Broadway between 4th Street S and 2nd Street N. Most of these hazards are caused by spalling brick inlays that were installed in the late 1980s. The new design will eliminate the brick inlays and replace the sidewalk panels to meet modern standards, including Americans with Disabilities Act (ADA) accessibility. The project will enhance the downtown pedestrian experience, address inconsistencies in sidewalk aesthetics, offer opportunities to make downtown sidewalks more inviting and allow for creative activation of sidewalk areas.

Purpose, Justification & Benefits:
 Many areas of the sidewalks in downtown are degrading over time, especially surrounding brick inlays that were installed as part of an outdated standard detail used before passage of the ADA. Cracks and brick pop-outs are a safety hazard and generate trip/fall complaints at a much higher rate than other pedestrian facilities. These calls spur repeated temporary maintenance that doesn't solve the underlying performance issues. The reconstruction will include ADA improvements, consideration of increased public realm space, and other aesthetic integration aspects.

What is the grant status for the project?:

Foundation Principles Supported:

Strategic Priorities Supported:

Department Funding Request:

Anticipated Funding Source	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
State DMC Funds	2,051,625	0	0	0	0	0	2,051,625
Funding Request Row Total:	2,051,625	0	0	0	0	0	2,051,625

Project Cost Breakdown:

Major Expense Category	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
Construction	1,851,625	0	0	0	0	0	1,851,625
Architect/Design	200,000	0	0	0	0	0	200,000
Project Cost Breakdown Row Total:	2,051,625	0	0	0	0	0	2,051,625

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

Maintains and improves walkability of downtown. Addresses a public safety issue.

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.:

Will greatly reduce ongoing temporary maintenance measures and decrease staff time needed to respond to high trip/fall rates.

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

Block 6 Street Project



Department: CIP Business Unit:
 Division: Project Number:
 Contact Person:
 Location:
 Project Category:
 Department Priority: Ward:

Project Description:

The sanitary sewer and water main utilities in 3rd Avenue SW, 4th Avenue SW, and 5th Street SW will be replaced and upgraded as needed to accommodate recent and future redevelopment in the area. The project will also include reconstruction of the streets and sidewalks in the project area. Construction is currently planned for 2023.

Purpose, Justification & Benefits:

Sanitary sewer and water main utilities in the area of the Discovery Square Sub-District of Destination Medical Center (DMC) have reached the end of their useful life. Additionally, they should be upgraded to accommodate recent and future redevelopment in the area.

What is the grant status for the project?:

Foundation Principles Supported:

Strategic Priorities Supported:

Department Funding Request:

Anticipated Funding Source	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
State DMC Funds	789,000	0	0	0	0	0	789,000
Operating Transfer – From Sewer Utility	223,000	0	0	0	0	0	223,000
Water Utility	206,000	0	0	0	0	0	206,000
Operating Transfer – From Storm Water	118,000	0	0	0	0	0	118,000
Project Reserves	242,000	0	0	0	0	0	242,000
Funding Request Row Total:	1,578,000	0	0	0	0	0	1,578,000

Project Cost Breakdown:

Major Expense Category	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
Architect/Design	315,000	0	0	0	0	0	315,000
Construction	1,263,000	0	0	0	0	0	1,263,000
Project Cost Breakdown Row Total:	1,578,000	0	0	0	0	0	1,578,000

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

Helps support the Destination Medical Center strategic plan.

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.:

Operating costs should neither increase or decrease with this project.

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



Destination Medical Center Corporation Expenses



Department: CIP Business Unit:
 Division: Project Number:
 Contact Person:
 Location:
 Project Category:
 Department Priority: Ward:

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?:

Foundation Principles Supported:

Strategic Priorities Supported:

Department Funding Request:

Anticipated Funding Source	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
Sales Tax DMC	247,000	253,000	259,000	265,000	272,000	279,000	1,575,000
Funding Request Row Total:	247,000	253,000	259,000	265,000	272,000	279,000	1,575,000

Project Cost Breakdown:

Major Expense Category	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
Overhead	247,000	253,000	259,000	265,000	272,000	279,000	1,575,000
Project Cost Breakdown Row Total:	247,000	253,000	259,000	265,000	272,000	279,000	1,575,000

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 amount being budgeted for 2022 is an increase from the prior year (2021) of approximately \$8,000.

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

Administrative Costs for Destination Medical Center Projects



Department: CIP Business Unit:
 Division: Project Number:
 Contact Person:
 Location:
 Project Category:
 Department Priority: Ward:

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?:

Foundation Principles Supported:

Strategic Priorities Supported:

Department Funding Request:

Anticipated Funding Source	2022	2023	2024	2025	2026	2027	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	2022	2023	2024	2025	2026	2027	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 2022 is equal to the prior year (2021).

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

Destination Medical Center Corporation EDA Expenses



Department: CIP Business Unit:
 Division: Project Number:
 Contact Person:
 Location:
 Project Category:
 Department Priority: Ward:

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 and approved 2021 work plan objectives.

What is the grant status for the project?:

Foundation Principles Supported:

Strategic Priorities Supported:

Department Funding Request:

Anticipated Funding Source	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
Sales Tax DMC	2,190,000	2,244,750	2,300,870	2,358,390	2,417,350	2,477,780	13,989,140
Funding Request Row Total:	2,190,000	2,244,750	2,300,870	2,358,390	2,417,350	2,477,780	13,989,140

Project Cost Breakdown:

Major Expense Category	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
Overhead	2,190,000	2,244,750	2,300,870	2,358,390	2,417,350	2,477,780	13,989,140
Project Cost Breakdown Row Total:	2,190,000	2,244,750	2,300,870	2,358,390	2,417,350	2,477,780	13,989,140

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 2022 is approximately \$67,000 higher than the prior year (2021) budget amount.

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

City DMC Project Management



Department: CIP Business Unit:
 Division: Project Number:
 Contact Person:
 Location:
 Project Category:
 Department Priority: Ward:

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 include, 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?:

Foundation Principles Supported:

Strategic Priorities Supported:

Department Funding Request:

Anticipated Funding Source	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
Sales Tax DMC	738,616	757,081	776,008	795,409	815,294	835,676	4,718,084
Funding Request Row Total:	738,616	757,081	776,008	795,409	815,294	835,676	4,718,084

Project Cost Breakdown:

Major Expense Category	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
Project Management	738,616	757,081	776,008	795,409	815,294	835,676	4,718,084
Project Cost Breakdown Row Total:	738,616	757,081	776,008	795,409	815,294	835,676	4,718,084

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 2022 is an decrease from the prior year (2021) of approximately \$44,000.

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

Destination Medical Center

2022-2027

Capital Improvement Plan

Schedule for Six Year Period

Special Assessment Bonds = a
Flood Control Reserves = fr
Operating Trfs-fr General Fund = ot
GO Revenue Bonds = rb
Sales Tax 2013 = st
Operating Trfs - fr Other Funds = to

Abatement District = ad
Local Gov't Aid = ga
Operating Trfs-fr Sewer Utility = ow
Retained Earnings = re
Storm Water Mgmt Chg = sw
Transit Aid State DMC = ts

Olmsted County = c
General Obligation Bonds = go
Operating Trfs-fr General Fund = ox
State Funds = s
Tax Levy = t
Water Availability Chg = wa

Electric Utility = eu
Lodging Tax = lt
Private Funds = p
Sn/Sewer Avail Chg = sa
Transit Aid County DMC = tc
Water Utility = wu

Federal Funds = f
MN State Aid - Streets = ms
2020 Parks Referendum = pr
Sales Tax DMC = sd
Traffic Improvement Dist Chg = td
Unfunded = u

Food & Beverage Tax = fb
Operating Trfs - fr Storm Water = os
Project Reserves = r
State DMC Funds = sm
Tax Increments = ti

Map #	Project Description	Proj #	Total Budget	2021		2022	Priority	2023	Priority	2024	Priority	2025	Priority	2026	Priority	2027	Priority
				CIP Bdggt	Amts												
Operations																	
1	Contributions to DMC Corporation for DMCC expenses	8602	5,297,065	268,750	sd	247,000	sd	253,000	sd	259,000	sd	265,000	sd	272,000	sd	279,000	sd
2	Contributions to DMC Corporation for EDA expenses	8602	32,198,639	2,235,776	sd	2,190,000	sd	2,244,750	sd	2,300,870	sd	2,358,390	sd	2,417,350	sd	2,477,780	sd
3	City Project Management expenses	8601	8,674,823	696,215	sd	738,616	sd	757,081	sd	776,008	sd	795,409	sd	815,294	sd	835,676	sd
4	City of Rochester Administrative costs for DMC projects	8601	1,800,000	100,000	sd	100,000	sd	100,000	sd	100,000	sd	100,000	sd	100,000	sd	100,000	sd
5	Development Plan Update		1,250,000									500,000	sm				
						3,275,616		3,354,831		3,435,878		4,018,799		3,604,644		3,692,456	
Public Realm																	
6	Chateau Theatre Improvements - Renovation of restrooms 2022 plus additional improvements and HVAC upgrades 2023.	8624	12,176,802	100,000	sd	350,000	sm	1,000,000	sm	100,000	sm	100,000	sm	100,000	sm	100,000	sm
7	Sales Tax DMC - Repayment of loan from Flood Control Reserves; 7 year repayment starting in 2018.	8605	8,400,000	1,200,000	sd	1,200,000	sd	1,200,000	sd	1,200,000	sd						
8	Discovery Walk Design and Implementation	8904	18,920,000	7,000,000	sm	7,000,000	sm	1,720,000	sm								
9	Discovery Walk Phase 2 - Soldiers Field Park		5,000,000			500,000	sm	4,500,000	sm								
10	Riverfront Reimagined		6,000,000	1,000,000	sm			5,000,000	sm								
11	Heart of the City	8625	19,871,265	6,000,000	sm	600,000	sm										
12	Heart of the City Phase 2 - University Square to Mayo Civic Center		12,000,000							1,200,000	sm	6,000,000	sm	4,800,000	sm		
13	St Marys Place Public Realm Implementation		3,300,000					300,000	sm	3,000,000	sm						
						9,650,000		13,720,000		5,500,000		6,100,000		4,900,000		100,000	
Strategic Redevelopment																	
14	Strategic Redevelopment	8633	25,000,000	7,000,000	sm	3,000,000	sm	3,000,000	sm	3,000,000	sm	3,000,000	sm	3,000,000	sm	3,000,000	sm
						3,000,000		3,000,000		3,000,000		3,000,000		3,000,000		3,000,000	
Streets and Sewers																	
15	District Energy System Rochester		20,000,000	5,425,000	go sm	2,575,000 1,800,000 10,000,000	go sm s										
16	Block 6 Ramp - Roadway improvements, utility replacements, upgrades and relocations for water and electric. Project reserves will be transferred from J2201.		1,578,000			789,000	sm										

Destination Medical Center

2022-2027

Capital Improvement Plan

Schedule for Six Year Period

Special Assessment Bonds = a	Abatement District = ad	Olmsted County = c	Electric Utility = eu	Federal Funds = f	Food & Beverage Tax = fb
Flood Control Reserves = fr	Local Gov't Aid = ga	General Obligation Bonds = go	Lodging Tax = lt	MN State Aid - Streets = ms	Operating Trfs - fr Storm Water = os
Operating Trfs-fr General Fund = ot	Operating Trfs-fr Sewer Utility = ow	Operating Trfs-fr General Fund = ox	Private Funds = p	2020 Parks Referendum = pr	Project Reserves = r
GO Revenue Bonds = rb	Retained Earnings = re	State Funds = s	Sn/Sewer Avail Chg = sa	Sales Tax DMC = sd	State DMC Funds = sm
Sales Tax 2013 = st	Storm Water Mgmt Chg = sw	Tax Levy = t	Transit Aid County DMC = tc	Traffic Improvement Dist Chg = td	Tax Increments = ti
Operating Trfs - fr Other Funds = to	Transit Aid State DMC = ts	Water Availability Chg = wa	Water Utility = wu	Unfunded = u	

<u>Map #</u>	<u>Project Description</u>	<u>Proj #</u>	<u>Total Budget</u>	<u>CIP Bdgt Amts</u>	<u>2022</u>	<u>Priority</u>	<u>2023</u>	<u>Priority</u>	<u>2024</u>	<u>Priority</u>	<u>2025</u>	<u>Priority</u>	<u>2026</u>	<u>Priority</u>	<u>2027</u>	<u>Priority</u>
					118,000	os										
					223,000	ow										
					206,000	wu										
					242,000	r										

2020 DMC Capital Improvement Plan Budget Reconciliation

To: DMC Corp, Board of Directors

From: DMC EDA

Date: September 24, 2021

Request of the board of directors:

- No action requested.

Background:

DMC EDA and City staff have reviewed the project budgets approved in the 2020 Capital Improvement Program. Staff reconciled 2020 expenses and identified approved projects that have not fully expended their allocated budgets. In some cases, project costs were lower than budgeted. In others, annual changes to the DMC capital improvement program, DMC Corp. board priorities, or less-than-favorable project bids resulted in projects being postponed, redefined, or cancelled.

The reconciled balance of project budgets are presented in the table below:

Project Number	Project Description	City DMC Funding	DMC GSIA Funding	County DMC Transit Aid Funding	Actual Expenditures	Balance
8629	Development Plan Update		\$750,000		\$140,000	\$610,000
8708	Transit Villages 1 & 2		\$5,000,000		\$29,400	\$4,970,600
8709	Arrive Rochester Implementation	\$510,000			\$19,400	\$490,600
2091	UMTA New Bus & Equip Acquisition			\$2,540,000		\$2,540,000
7319	Reconstruct 7th Ave NW < 2nd St NW > 4th St NW)		\$4,800,000		\$1,107,000	\$3,693,000
	Construct San. Sewer Capacity Bypass on 2nd St SE (combined with 7825)		\$1,136,898			\$1,136,898
	Transit Circulator Prototyping		\$250,000			\$250,000
	District Energy Evaluation & Implementation		\$100,000			\$100,000
	Smart City Implementation- Air quality		\$30,000			\$30,000
	St. Mary's transit station - 2019 continued design and planning			\$50,000		\$50,000
	2020-Provides for the EV charging for electric buses			\$110,000		\$110,000
8601	City of Rochester Administrative costs for DMC Project	\$760,524			\$710,428	\$50,096
8602	Contributions to DMC Corp for DMCC & EDA expenses	\$2,856,647			\$2,440,064	\$416,583
	TOTAL	\$4,127,171	\$12,066,898	\$2,700,000	\$4,446,292	\$14,447,777



DMC

Destination Medical Center

Destination Medical Center Economic Development Agency

&

City of Rochester DMC Project Management Team

2022 Workplan

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2. CITY OF ROCHESTER DMC PROJECT MANAGEMENT RESPONSIBILITIES
3. DMC EDA STATUTORY ROLE AND RESPONSIBILITIES
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5. 2022 WORKPLAN OUTCOMES
6. 2022 DMC EDA AND PROJECT MANAGEMENT TEAM BUDGETS

1. Executive Summary

In 2022, the Destination Medical Center (“DMC”) initiative will focus on advancing the strategic development priorities affirmed by the Destination Medical Center Corporation Board of Directors and the City of Rochester Common Council in order to achieve the goals of the DMC initiative.

DMC GOALS

- a) Create a comprehensive strategic plan with a compelling vision that harnesses the energy and creativity of the entire community
- b) Leverage the public investment to attract more than \$5 billion in private investment to Rochester and the region
- c) Create approximately 35,000 – 45,000 new jobs, with workforce development strategies that support that growth
- d) Generate approximately \$7.5 - \$8.0 billion in new net tax revenue over 35 years
- e) Achieve the highest quality patient, companion, visitor, employee, and resident experience, now and in the future

2022 STRATEGIC DEVELOPMENT PRIORITIES

- a) Heart of the City
- b) Discovery Square
- c) Mobility
- d) Riverfront Development
- e) Rapid Transit Oriented Development

Additionally, the DMC EDA and City of Rochester DMC project management team have incorporated significant business development, sustainability, marketing, workforce development, health in economic development, experience, and community engagement initiatives into the 2022 workplan in order to support these strategic priorities. The workplan outlines the objectives and defines the resources necessary to advance the 2022 DMC strategic priorities.

2. City of Rochester DMC Project Management Team Responsibilities

In January 2019, the Destination Medical Center Corporation approved a proposal to assign new and existing DMC- related project management responsibilities to DMC-dedicated City of Rochester staff. For example, the City of Rochester DMC Project Management team supports the DMC initiative in these areas:

- a) Project delivery
- b) Targeted business and workforce development and utilization
- c) Rapid transit circulator development
- d) Subdistrict public project construction management, including Heart of the City and Discovery Walk

3. DMC EDA Statutory Role and Responsibilities

The DMC EDA assists the Destination Medical Center Corporation (“DMCC”) and the City of Rochester (“City”) in implementing the development planning and promotion, development services, and marketing, outreach and communication activities required to achieve the goals of the DMC development plan.

The DMC legislation identified several key responsibilities of the DMC EDA in addition to its role as an advisory agency to the DMCC and City:

- a) Drafting and implementing the development plan, including soliciting and evaluating proposals for development and evaluating and making recommendations to the DMCC and the City regarding those proposals
- b) Seeking financial support for the DMCC, the City, and projects
- c) Partnering with other development agencies and organizations, the city, and the county in joint efforts to promote economic development and establish a destination medical center
- d) Supporting and administering the planning and development activities required to implement the development plan
- e) Developing and updating the criteria for evaluating and underwriting development proposals
- f) Providing transactional services in connection with approved projects
- g) Working with the corporation to acquire and facilitate the sale, lease, or other transactions involving land and real property
- h) Assisting the DMCC or City and others in applications for federal grants, tax credits, and other sources of funding to aid both private and public development
- i) Facilitating private investment through development of a comprehensive marketing program to global interests
- j) Developing patient, visitor, and community outreach programs
- k) Preparing and supporting the marketing and promotion of DMC
- l) Preparing and implementing a program for community and public relations

4. DMC Capital and Operating Budget Principles

Capital Improvement Program Principles

- a) Pursue projects consistent with DMC Development Plan and current priorities
- b) Finish projects already approved and underway
- c) Use “pay-as-you-go” public finance model as a primary financing tool, but consider bonding or loans when appropriate
- d) Focus on time-sensitive, shovel-ready projects
- e) Be responsive to community priorities and market demand
- f) Leverage other sources of funding
- g) Achieve balance between public realm, public infrastructure, and transportation
- h) Consider medium- and long-term capital and infrastructure needs prior to committing resources

DMC EDA and City of Rochester DMC Project Management Team Operating Budget Principles

- a) Fulfill responsibilities assigned to the DMC EDA by Minnesota Statutes 469.40-469.47
- b) Successfully implement the DMC Development Plan
- c) Advance strategic development priorities
- d) Achieve annual work plan outcomes
- e) Incorporate complementary planning and implementation activities assigned to the City of Rochester DMC Project Management Team

5. 2022 Workplan Outcomes

The 2022 DMC workplan is primarily organized around the five major categories of DMC investment: Mobility; Public Realm; Private Investment; Streets and Sewers; and Plan Implementation. These categories are also used to organize the DMC Capital Improvement Program.

MOBILITY

2035 Goal	Phase 2 (2025) Goal	2022 Outcome
Reduce drive-alone mode share to 50% or less	Reduce drive-alone mode share from 71% to 58%	Rapid transit: Complete environmental analysis; complete 100% design; meet federal review process milestones
		Metrics: Establish a baseline for workforce mode share and methodology for tracking progress
		Mode shift: Develop an active commuter plan and enact programs to expand alternative commuting

PUBLIC REALM

2035 Goal	Phase 2 (2025) Goal	2022 Outcome
Attract more than \$5 billion in private investment	Demonstrate the economic and experience value of the Heart of the City public space investment by the following measures: a) Increase pedestrian traffic in the Peace Plaza area by 50% b) Businesses report increased revenue c) Visitors and community members report they are more likely to visit downtown	Heart of the City: Complete Post-Occupancy Evaluation
		Heart of the City: Develop and execute Activation Strategy
Achieve the highest quality patient, visitor, and community member experience	Discovery Walk construction completed, activities take place regularly with increased involvement by under-represented community members, new development is being considered	Chateau Theatre: Develop and execute Activation Strategy and ongoing capital maintenance
		Discovery Walk: Complete first phase (400-500 blocks)
Public Realm concepts developed for all DMC sub-districts		Discovery Walk: Implement Business Forward and community engagement strategies
		Rapid Transit: Develop community-supported station area public realm concepts and neighborhood connections
		Saint Marys Place: Incorporate public realm concept into transit station area design
		Education/Recreation: Convene stakeholders to establish vision for sub-district public realm (Soldiers Field)
		Downtown Waterfront: Develop community-supported public realm concept

PLAN IMPLEMENTATION: MARKETING AND BUSINESS DEVELOPMENT

2035 Goal	Phase 2 (2025) Goal	2022 Outcome
Attract more than \$5 billion in private investment	More than \$1 billion of new private development underway	Targeted Marketing: Continue marketing to target audiences including Digital Health, Entrepreneurs and Retail, Dining and Entertainment
		Lead Generation: Generate a minimum of 100 business and economic development leads per quarter
		Media Coverage: Increase earned media coverage by 10% using various communication tactics
Retail developments active across all DMC subdistricts	Retail strategy implemented in DMC district	Retail, Dining, Entertainment (RDE): Implement recruitment and retention strategy, with a focus on innovative approaches to Heart of the City and Discovery Square that support residents, visitors and workers
Create 35,000-45,000 new jobs, including 3,230 in bio-med-tech	Develop 330,000 SF of Bio-Med-Tech space	Discovery Square Business Development: Develop and execute a lead-generation strategy that complements existing lead channels
		Bio-med-tech Workforce Development: Support partner-led efforts to design innovative clinical training, education and workforce development space

TRANSFORMATIVE PRIVATE DEVELOPMENT

2035 Goal	Phase 2 (2025) Goal	2022 Outcome
Show quantifiable improvements in the availability of housing in DMC District, inclusive of housing type and affordability		Housing: Advance one development into approval process
449 units between 30% to 50% AMI	150 units between 30-50% AMI	Housing: Cultivate relationships with five affordable housing developers
630 units between 50% to 80% AMI	210 units between 50-80% AMI	
Develop 1.02M SF new Bio-Med-Tech space	Develop 330,000 SF of Bio-Med-Tech space	Discovery Square: Complete Two Discovery Square core and shell; develop shared multiple-purpose wet lab space
		Discovery Square: Refresh master plan, including identification of high-potential development initiatives
Attract more than \$5 billion in private investment Achieve the highest quality patient, visitor, and community member experience	More than \$1 billion of new private development, consistent with development plan, underway	West Transit Village: Secure development partner and establish stakeholder-supported vision
		Pre-development Activation: Develop and execute an interim-use plan for vacant space and pre-development sites
		DMC Funding: Revise DMC Funding application process to allow for public infrastructure funding proposals by small and local businesses and property owners

PLAN IMPLEMENTATION: ENERGY AND SUSTAINABILITY

2035 Goal	Phase 2 (2025) Goal	2022 Outcome
a) Reduce energy consumption by 25% below 2012 levels by 2030 b) Reduce potable water consumption below 2012 levels by 2030 c) Reduce total waste generated by 30% below 2012 levels by 2030 d) Reduce drive alone mode share to 50% or less by 2035 e) Reduce DMC-wide emissions per SF by 80% below 2005 levels by 2050 f) Create a sustainability culture in Rochester	Reduce the emissions associated with the new construction and existing buildings sector	Sustainable Buildings: Benchmarking program includes 153 buildings with 30 in the DMC District
		Sustainable Development: Advance one new project that models sustainable development
		Sustainable Development: Update the DMC Sustainable Building Policy
	Metrics: Monitor progress towards DMC's greenhouse gas, energy, and sustainability goals	
	Progress toward DMC and Rochester GHG, energy and sustainability goals across sectors	Emissions Reduction: Complete an Electric Vehicle Charging Infrastructure Plan and downtown charging facility to reduce emissions from transit sector
		Emissions Reduction: Begin Implementation of Sustainability and Resiliency Task Force (SRTF) plan led by City of Rochester and continue implementation of the Strategic Energy Project Plan

PLAN IMPLEMENTATION: HEALTH AND EQUITY IN ECONOMIC DEVELOPMENT

2035 Goal	Phase 2 (2025) Goal	2022 Outcome
Show quantifiable improvements in community health measures	Apply health in design process to 10 infrastructure projects	Equitable Economic Development: Five projects use community co-design process in 2022
Attract more than \$5 billion in private investment Achieve the highest quality patient, visitor, and community member experience	More than \$1 billion of new private development underway	Equitable Economic Development: Support the implementation of the Equitable Development work plan Health and Equity in Economic Development: Establish a baseline measure of current activities and identify opportunities for the future

PLAN IMPLEMENTATION: TARGETED BUSINESS AND WORKFORCE UTILIZATION

2035 Goal	Phase 2 (2025) Goal	2022 Outcome
Ensure compliance with specific requirements of the DMC Act	a) Women Workforce Participation: 7% b) Minority Workforce Participation: 15% c) Targeted Business Goal: 7% d) Heavy Construction Targeted Business Goal: 4%	Targeted Business and Workforce Utilization: Operationalize MBE/WBE program for all DMC projects
		Targeted Business and Workforce Utilization: Apply MBE/WBE goals to City CIP projects with a total cost of \$3 million or more bid in 2022
		Metrics: Meet workforce and targeted business targets

PLAN IMPLEMENTATION: COMMUNITY ENGAGEMENT

2035 Goal	Phase 2 (2025) Goal	2022 Outcome
Build a community of stakeholders that see themselves in the DMC vision	Community reports higher understanding of the DMC initiative and its importance to the local community	Community Engagement: Execute annual local, regional, and state strategies to sustain widespread support for the DMC initiative
		Metrics: Summarize and report out on best practices and principles used in DMC experience management strategies (prototyping, Business Forward, co-design, etc.)
		Community Engagement: Manage business and community relationships with key stakeholders and audiences through strategic partnerships, presentations, and other means

PLAN IMPLEMENTATION: EXPERIENCE

2035 Goal	Phase 2 (2025) Goal	2022 Outcome
Achieve the highest quality patient, companion, visitor, employee, and resident experience		Metrics: Develop, analyze, and monitor an experience dashboard that is utilized by the DMC EDA and key community partners
		Experience Improvement: Use experience dashboard measures to create an experience improvement action plan for DMC and key community partners

6. 2022 DMC EDA AND PROJECT MANAGEMENT TEAM BUDGETS

The budget, developed to achieve the strategic development objectives and outcomes identified in the workplan, has been prepared by DMC EDA and DMC City of Rochester Project Management teams with the advice of DMC Corporation and DMC EDA board members and City of Rochester administrative leaders. The budget includes:

- The 2022 DMC EDA funding request to the Destination Medical Center Corporation of \$2,189,628, a year-over-year decrease in funding of \$46,147 (-2.1%).
- 2022 DMC EDA funding contributed by Mayo Clinic towards the operational, project, and program expenses of the DMC EDA totals \$1,411,390, a year-over-year increase of \$96,420 (+7.5%).
- The 2022 DMC City of Rochester Project Management team funding request to the Destination Medical Center Corporation is \$738,616, a year-over-year increase in funding of \$42,401 (+6.1%).

2022 DMC EDA BUDGET

	2021 DMC EDA Funding	2022 DMC EDA Funding	YOY DMC EDA Funding Change (%)
Staff Costs			
1 Payroll	\$1,575,238	\$1,554,940	-1.3%
2 Benefits	\$145,033	\$191,865	32.3%
3 Payroll Expenses	\$9,620	\$7,000	-27.2%
4 Transit Subsidy	\$9,600	\$8,400	-12.5%
5 Reimbursements	\$0	\$0	
SUBTOTAL	\$1,739,491	\$1,762,205	1.3%
Operating Costs			
6 Rent and Utilities	\$130,030	\$141,236	8.6%
7 Equipment Rentals and Furniture	\$0	\$0	
8 Office Supplies and Consumables	\$18,000	\$14,000	-22.2%
9 Room Rental	\$0	\$0	
10 Postage and Shipping	\$1,500	\$1,500	0.0%
11 Website Drafting and Hosting	\$19,200	\$19,200	0.0%
12 IT Hardware, Software, and Support	\$35,200	\$41,335	17.4%
13 Miscellaneous Costs	\$2,784	\$17,880	542.2%
SUBTOTAL	\$206,714	\$235,151	13.8%
Economic Development			
14 Print and Collateral	\$45,000	\$40,000	-11.1%
15 Outreach and Local Events	\$143,580	\$71,500	-50.2%
16 Subscriptions and Memberships	\$10,561	\$11,063	4.8%
17 Conferences, Meetings, Travel, and Participation	\$23,500	\$39,000	66.0%
18 Economic Development Programming	\$628,100	\$714,590	13.8%
SUBTOTAL	\$850,741	\$876,153	3.0%
Professional Services			
19 Legal	\$41,400	\$40,000	-3.4%
20 Website Management and CRM	\$40,500	\$32,600	-19.5%
21 Marketing, Communications, and Advertising	\$447,500	\$447,500	0.0%
22 Strategic Public Relations	\$62,000	\$62,000	0.0%
23 Contracted Support Staff	\$75,000	\$35,000	-53.3%
24 Financial Reporting Services	\$28,400	\$58,410	105.7%
SUBTOTAL	\$694,800	\$675,510	-2.8%
Miscellaneous Costs			
25 Insurance and Taxes	\$59,000	\$52,000	-11.9%
26 Contingency	\$0	\$0	
SUBTOTAL	\$59,000	\$52,000	-11.9%
TOTAL	\$3,550,746	\$3,601,019	1.4%

2022 DMC PROJECT MANAGEMENT TEAM BUDGET

2022 DESTINATION MEDICAL CENTER CITY OF ROCHESTER PROJECT MANAGEMENT BUDGET			
	2021 DMC Funding	2022 DMC Funding	YOY DMC Funding Change (%)
Staff Costs			
1 Employee Services	\$ 609,658	\$ 652,059	7.0%
Subtotal	\$ 609,658	\$ 652,059	7.0%
Operational Costs			
2 Rents and Leases	\$ 2,500	\$ 2,500	
3 Adv, Publishing, & Printing	\$ 7,625	\$ 7,625	
4 Contractual Mtce & Repair	\$ 38,000	\$ 38,000	
5 Expert and Professional Services	\$ 8,000	\$ 8,000	
6 Communications	\$ 1,880	\$ 1,880	
7 Travel/Training/Business Mea	\$ 6,650	\$ 6,650	
8 Subscriptions/Bks/Membership	\$ 5,075	\$ 5,075	
9 Office Supplies	\$ 2,100	\$ 2,100	
10 Other Charges	\$ 14,727	\$ 14,727	0.0%
Subtotal	\$ 86,557	\$ 86,557	
TOTAL	\$ 696,215	\$ 738,616	6.1%

DMCC Corporation
2022 Budget Worksheet

Account Description	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2020 Actual	2021 Budget	2021 Actual 7/31	Proposed 2022 Budget
DMC Corporation										
Revenues	-3,602,320	-2,288,340	-2,471,264	(2,581,654)	1,161,491					
Interest Earned			6	(14)	6					
Building Rent	21,232	18,907	32,558	24,050	34,017	35,000	8,190	36,750	-	\$ 38,588 (2)
Rents and Leases	21,232	18,907	32,558	24,050	34,017	35,000	8,190	36,750	-	38,588
Audit Services	2,839	3,000	2,897	3,000	3,150	3,500	3,300	4,000	3,500	4,500
Legal Consultants	324,144	217,195	172,584	160,503	146,785	200,000	148,749	180,000	60,464 (1)	160,000 (3)
Accounting Consultants	1,144	1,000	1,800	1,050	1,100	2,000	1,150	2,000	1,000	2,600
Other Expert & Professnl Srvc	13,913	17,333	11,145	7,994	10,418	20,000	7,865	20,000	1,811	15,000
Expert & Professional Services	342,040	238,528	188,426	172,547	161,452	225,500	161,064	206,000	66,775	182,100
Travel and training	976	538	0	272	322	5,000	153	5,000	-	5,000
Business meal expenses	0	35	0	0		1,000	-	1,000	-	1,000
Travel/Training/Business Meals	976	573	0	272	322	6,000	153	6,000	-	6,000
Comprehensive Liability Ins	17,601	15,303	16,136	14,171	13,607	20,000	14,055	20,000	12,025	20,000
Insurance - Misc others										
Insurance and Bonds	17,601	15,303	16,136	14,171	13,607	20,000	14,055	20,000	12,025	20,000
Contractual Services										
Contractual Services	381,850	273,311	237,120	211,040	209,398	286,500	183,462	268,750	78,800	246,688
Other Supplies										
Supplies				0	-					
Materials and Supplies				0	-					
Interest	54	13	19	27	20		5		4	
Other Charges		25	25	25	25		25			
Other Charges	54	38	44	52	45	-	30	0	4	0
Expenditures	381,903	273,349	237,164	211,093	209,443	286,500	183,493	268,750	78,804	246,688
Other Financing Uses										
DMC EDA Corporation - Net Revs - Exps	-3,220,416	-2,014,991	2,234,105	2,370,576	1,052,444	2,570,147	2,129,448	2,235,776	1,060,062	
City DMCC Project Management						660,524	402,178	696,215	292,416	
Keep It Local Grants - COVID-19 Response						51,078	51,078	0		
City Support Expenses			0	0						
Total DMCC & EDA			2,471,269	2,581,669	1,261,887	3,568,249	2,766,197	3,200,741	1,431,283	246,688

(1) This amount reflects expenses from January - May, 2021; the amount of fees due or unbilled as of July 31, 2021 is \$10,605.87

(2) This amount represents a 5% increase for 2022

(3) This amount represents an 11% decrease for 2022

DESTINATION MEDICAL CENTER CORPORATION

RESOLUTION NO. ___-2021

Approving the 2022 DMCC Funding Request and the Extension of Working Capital Loan and Authorizing Transmittal to the City of RochesterBACKGROUND RECITALS

WHEREAS, the Destination Medical Center Corporation (“DMCC”) must adopt an annual Funding Request and Five Year Capital Plan. The DMCC Funding Request includes the DMCC annual budget, the Destination Medical Center Economic Development Agency (“EDA”) annual budget and work plan, and support costs incurred by the City of Rochester; and

WHEREAS, on February 26, 2015, the DMCC adopted Resolution No. 26-2015, approving the form of and authorizing the Chair and Treasurer to execute, amend, and take other actions to implement the working capital loan documents to provide for advance funding of DMCC and EDA operations (collectively, the “Loan Documents”); and

WHEREAS, the DMCC has completed the required annual reconciliation of the advances to the DMCC and the DMCC eligible expenses and has prepared a DMCC Request for Extension of the Working Capital Loan for 2022 in the amount of \$1000, as such amount may be adjusted by the City pursuant to Section 2.8(c) of the Working Capital Loan Agreement (DMCC-City) effective April 1, 2014, as amended; and

WHEREAS, the EDA has submitted an EDA Request for Extension of the Working Capital Loan for 2022, requesting that the Loan Documents be extended for 2022 in the amount of \$100,000, as such amount may be adjusted by the City pursuant to Section 2.8(c) of the Working Capital Loan Agreement (DMCC-EDA), effective April 1, 2014, as amended, and has provided the required annual reconciliation of advances and eligible expenses paid from such advances; and

WHEREAS, the DMCC and EDA Requests for Extension of the Working Capital Loan for 2022 are attached as Exhibit A.

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED, by the Destination Medical Center Board of Directors that the 2022 DMCC Funding Request, and the Five Year Capital Plan, each on file with the DMCC, are approved. Further, the DMCC hereby approves the projects set forth in the first year of the Five Year Capital Plan as public infrastructure projects within the meaning of Minnesota Statutes Section 469.40, Subdivision 11, and consistent with the Development Plan, adopted on April 23, 2015, as amended; provided that 1) final approval of each of the capital projects will be subject to a later specific approval by the DMCC upon final determination of scope, costs and availability of funds; and 2) staff is directed to provide an annual reconciliation of budget amounts and expenditures for each of the capital projects.

BE IT FURTHER RESOLVED, the EDA Request for Extension of the Working Capital Loan for 2022, and the DMCC Request for Extension of the Working Capital Loan for 2022, attached as Exhibit A and on file with the DMCC, are approved.

BE IT FURTHER RESOLVED, that the Chair and Treasurer are hereby authorized and directed to transmit this Resolution to the City of Rochester and to take such actions as are necessary or convenient to effectuate the 2022 DMCC Funding Request, the Five Year Capital Plan, and the extension of the Loan Documents, including, but not limited to, the authority to execute, deliver, and perform, in the name of and on behalf of the DMCC, the DMCC Request for Extension of the Working Capital Loan for 2022 and the Loan Documents to which the DMCC is a party, with such modifications, additions, deletions, or other changes as the Chair and Treasurer may deem necessary or appropriate to accomplish the requested extension, all which may be performed without further action of this Board.

1366262-2.DOCX

EXHIBIT A

DMCC REQUEST FOR EXTENSION OF WORKING CAPITAL LOAN FOR 2022

To: City of Rochester, Minnesota (the “City”)

1. The undersigned authorized representative (the “Representative”) of the Destination Medical Center Corporation (“DMCC”) hereby authorizes and requests an extension of the Term of the Working Capital Loan Agreement (DMCC-City), dated April 30, 2015, as amended, by and between the City and the DMCC (the “Agreement”) and renewals of the DMCC Note and the EDA Note, in the amount and on the date specified below, in order to pay certain DMCC Eligible Expenses and to provide the EDA Tranche to pay certain EDA Eligible Expenses, pursuant to the terms and conditions of the Agreement. Capitalized terms not otherwise defined herein shall have the meanings given them in the Agreement.
2. The Representative certifies that (i) attached as Attachment 1 is a true and correct annual reconciliation of the DMCC Tranche Advances made through July 31, 2021 and the DMCC Eligible Expenses paid from such Advances, as required by Section 2.6 of the Agreement; (ii) each item for which the DMCC sought payment in Attachment 1 was a DMCC Eligible Expense; and (iii) the Advances received by the DMCC have not exceeded the limitations set out in Section 2.4(a) of the Agreement.
3. The Representative further certifies that attached as Attachment 2 is a true and correct copy of the EDA Request for Extension of the Working Capital Loan for 2022.
4. The DMCC hereby requests an extension of the Agreement Term and renewals of the DMCC Note and the EDA Note, in the amount of \$1,000.00 as the DMCC Tranche Advance and in the amount of \$100,000.00 as the EDA Tranche Advance, as such amounts may be adjusted by the City pursuant to Section 2.8(c) of the Agreement, for payment of DMCC Eligible Expenses and, as to the EDA Tranche, for payment of EDA Eligible Expenses.
5. The Representative further certifies that no portion of the amount requested in paragraph 4 above constitutes a DMCC Excess Request under Section 2.3 of the Agreement.
6. The Representative further certifies that this statement and all exhibits and attachments hereto, and documents furnished in connection herewith, shall be conclusive evidence of the facts and statements set forth herein and shall constitute full warrant, protection, and authority to the City for its actions taken pursuant hereto.

Dated: _____, 2021

Authorized DMCC Representative

ATTACHMENT 1: RECONCILIATION OF DMCC TRANCHE ADVANCES
Through July 31, 2021

ATTACHMENT 1

	2021											
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
DMCC Bank Account												
Beginning Bank Balance	1,000.00	1,000.00	899.11	132,376.26	1,000.00	1,000.00	41,434.72	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
DMCC Bank Charges	103.73	100.89	100.38	103.27	105.25	101.64	107.35					
Adjustments - bank fees returned												
Adjustments - change in amount												
Interest Earnings												
EDA Funding Requested	67,168.37	202,359.66	123,757.71	245,339.70	138,532.99	197,583.02	124,274.44					
Actual Funded	67,272.10	202,359.66	255,335.24	115,366.71	138,638.24	242,619.38	83,947.07					
Checks				1,300.00		4,500.00						
Difference	103.73	-	131,577.53	(131,272.99)	105.25	40,536.36	(40,327.37)					
Ending Bank Balance	1,000.00	899.11	132,376.26	1,000.00	1,000.00	41,434.72	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Reconciling Items												
Interest	-	-	-	-	-	-	-	-	-	-	-	-
Bank Fees	-	-	-	-	-	-	-	-	-	-	-	-
Net	1,000.00	899.11	132,376.26	1,000.00	1,000.00	41,434.72	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00

end bank balance	1,000.00	899.11	131,376.26	1,000.00	1,000.00	40,434.72	1,000.00					
difference	0.00	0.00	1,000.00	0.00	0.00	1,000.00	0.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00

	2020											
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
DMCC Bank Account												
Beginning Bank Balance	950.65	1,598.65	1,000.72	1,000.64	1,000.64	12,750.32	8,650.32	6,150.00	1,000.00	1,000.00	70,233.00	1,000.00
DMCC Bank Charges	101.50	103.57	100.30	103.59	61.34	82.41	87.69	105.57	102.68	99.71	106.18	99.09
Adjustments - bank fees returned	324									95810		827
Adjustments - change in amount												
Interest Earnings	0.03	0.40	0.02	-	-	-	-	-	-	-	-	-
EDA Funding Requested	93,530.81	512,238.26	125,031.06	195,131.89	183,104.87	256,245.78	148,863.07	215,737.90	285,832.35	141,186.15	164,487.58	255,412.88
Actual Funded	93,956.28	511,743.50	134,275.91	196,035.48	211,225.56	273,346.52	153,400.44	217,843.47	285,935.03	157,343.86	164,593.76	254,684.97
Checks			9,144.65	800.00	16,309.67	21,118.33	6,950.00	7,150.00	-	42,635.00	69,233.00	-
Difference	425.47	(494.76)	100.20	103.59	11,811.02	(4,017.59)	(2,412.63)	(5,044.43)	102.68	(26,477.29)	(69,126.82)	(727.91)
Ending Bank Balance	1,598.65	1,000.72	1,000.64	1,000.64	12,750.32	8,650.32	6,150.00	1,000.00	1,000.00	70,233.00	1,000.00	1,000.00

Reconciling Items	
Interest	-
Bank Fees	-
Net	1,598.65

end bank balance difference	1,598.65	1,000.72	1,000.64	1,000.64	12,750.32	8,650.32	6,150.00	1,000.00	1,000.00	70,233.00	1,000.00	1,000.00
	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	0.00	-	0.00	0.00

**ATTACHMENT 2: EDA REQUEST FOR EXTENSION OF THE
WORKING CAPITAL LOAN FOR 2022**

5 HH57 < A9BH&

DESTINATION MEDICAL CENTER ECONOMIC DEVELOPMENT AGENCY

Approving the 2022 DMC EDA Funding Request and the Extension of Working Capital Loan

BACKGROUND RECITALS

WHEREAS, the Destination Medical Center Corporation (“DMCC”) must adopt an annual Funding Request and Five Year Capital Plan. The DMCC Funding Request includes the DMCC annual budget, the Destination Medical Center Economic Development Agency (“EDA”) annual work plan and budget, and support costs incurred by the City of Rochester; and

WHEREAS, the EDA has submitted an EDA Request for Extension of the Working Capital Loan, that the Loan Documents be extended for 2022 in the amount of \$100,000, as such amount may be adjusted by the City pursuant to Section 2.8(c) of the Agreement, and has provided the required annual reconciliation of advances and eligible expenses paid from such advances.

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED, by the Destination Medical Center Economic Development Agency Board of Directors that the 2022 EDA Funding Request and the EDA Request for Extension of the Working Capital Loan for 2022, are approved.

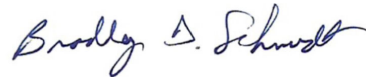


Clark Otley, M.D.
President

**EDA REQUEST FOR EXTENSION OF WORKING CAPITAL LOAN
FOR 2022**

To: Destination Medical Center Corporation
City of Rochester, Minnesota

1. The undersigned authorized representative (the “Representative”) of the Destination Medical Center Economic Development Agency (“EDA”) hereby authorizes and requests an extension of the Term of the Working Capital Loan Agreement (DMCC-EDA), dated April 30, 2015, by and between the Destination Medical Center Corporation (“DMCC”) and the EDA (the “Agreement”), and a renewal of the EDA Note, in the amount and on the date specified below, in order to pay certain EDA Eligible Expenses pursuant to the terms and conditions of the Agreement. Capitalized terms not otherwise defined herein shall have the meanings given them in the Agreement.
2. The Representative certifies that (i) attached as Exhibit A is a true and correct annual reconciliation of the Advances made through July 31, 2021 and EDA Eligible Expenses paid from such Advances, as required by Section 2.6 of the Agreement; (ii) each item for which the EDA sought payment in Exhibit A was an EDA Eligible Expense; and (iii) the Advances received by the EDA have not exceeded the limitations set out in Section 2.4(b) of the Agreement.
3. The Representative hereby requests an extension of the Agreement Term and a renewal of the EDA Note through the period December 31, 2021, in the Maximum Aggregate EDA Advances amount of \$100,000, as such amount may be adjusted by the City as provided in Section 2.8(c) of the Agreement, for payment of EDA Eligible Expenses pursuant to the terms and conditions of the Agreement.
4. The Representative further certifies that no portion of the amount requested in paragraph 3 above constitutes an EDA Excess Request under Section 2.3 of the Agreement.
5. The Representative further certifies that this statement and all exhibits and attachments hereto, and documents furnished in connection herewith, shall be conclusive evidence of the facts and statements set forth herein and shall constitute full warrant, protection, and authority to the DMCC for its actions taken pursuant hereto.



Dated: September 15, 2021

Authorized EDA Representative

EXHIBIT A: RECONCILIATION OF EDA ADVANCES

Through July 31, 2021

DMC EDA
 Operating Account
 Reconciliation of Bank Balance to Advance Total
 Bank Balance Date: **8/31/2020**

Balance per Bank **\$ 65,804.58**

Add: Advance in transit for expense cleared bank
 or expenses not yet requested-

Receivable	\$ 1,094.30	City - payroll 7/10
Receivable	\$ 1,037.77	City - payroll 7/24
Receivable	\$ 1,059.30	City - payroll 8/7
Receivable	\$ 1,037.77	City - payroll 8/21
Payroll		

	\$ -	
BlueCross BlueShield	\$ 5,014.07	8/21/2020
Mitel	\$ 572.97	8/21/2020

Less: Advance for expenses not cleared:

Misc CCC	\$ (155.82)	remaining credit card credit
Outstanding check	\$ (464.94)	Arnold's

Advance Total reconciled **\$ 75,000.00**

DMC EDA
 Operating Account
 Reconciliation of Bank Balance to Advance Total
 Bank Balance Date: 9/30/2020

Balance per Bank \$ 65,204.73

Add: Advance in transit for expense cleared bank
 or expenses not yet requested-

Receivable	\$ 1,094.30	City - payroll 7/10
Receivable	\$ 1,037.77	City - payroll 7/24
Receivable	\$ 1,059.30	City - payroll 8/7
Receivable	\$ 1,037.77	City - payroll 8/21
Receivable	\$ 1,059.30	City - payroll 9/4
Receivable	\$ 1,037.77	City - payroll 9/18
Payroll		
BlueCross BlueShield	\$ 4,011.25	9/22/2020
Mitel	\$ 572.97	9/23/2020
Lincoln National Life	\$ (959.34)	9/2 - requested twice / adjust next TAR
Misc	\$ (155.82)	remaining credit card credit
CCC		

Less: Advance for expenses not cleared:

Advance Total reconciled \$ 75,000.00

DMC EDA
 Operating Account
 Reconciliation of Bank Balance to Advance Total
 Bank Balance Date: 10/31/2020

Balance per Bank				\$ 38,262.20
Add:				
Advance in transit for expense cleared bank or expenses not yet requested-				
Receivable	\$	1,094.30	City - payroll 7/10	
Receivable	\$	1,037.77	City - payroll 7/24	
Receivable	\$	1,059.30	City - payroll 8/7	
Receivable	\$	1,037.77	City - payroll 8/21	
Receivable	\$	1,059.30	City - payroll 9/4	
Receivable	\$	1,037.77	City - payroll 9/18	
Receivable	\$	1,094.30	City - payroll 10/2	
Receivable	\$	1,037.77	City - payroll 10/16	
Payroll 10/2	\$	(565.64)	FFCRA/CARES Credit	
Payroll 10/30				
	\$	135.00		
	\$	245.76		
	\$	7,917.71		
	\$	17,358.94		
BlueCross BlueShield	\$	5,014.07	10/21/2020	
Mitel	\$	573.26	10/22/2020	
CC transfer	\$	(1,121.88)	CC transfer opposite - corrected in Nov	
Less:				
Advance for expenses not cleared:				
Misc CCC	\$	(155.82)	remaining credit card credit	
Payable	\$	(1,121.88)	CC payment	
Advance Total reconciled				<u><u>\$ 75,000.00</u></u>

DMC EDA
 Operating Account
 Reconciliation of Bank Balance to Advance Total
 Bank Balance Date: 11/30/2020

Balance per Bank \$ 32,606.32

Add: Advance in transit for expense cleared bank
 or expenses not yet requested-

Receivable		\$ 1,094.30	City - payroll 7/10
Receivable		\$ 1,037.77	City - payroll 7/24
Receivable		\$ 1,059.30	City - payroll 8/7
Receivable		\$ 1,037.77	City - payroll 8/21
Receivable		\$ 1,059.30	City - payroll 9/4
Receivable		\$ 1,037.77	City - payroll 9/18
Receivable		\$ 1,094.30	City - payroll 10/2
Receivable		\$ 1,037.77	City - payroll 10/16
Receivable		\$ 942.51	City - payroll 10/30
Receivable		\$ 1,059.30	City - payroll 11/13
Payroll 11/25	\$ 2,826.07		
	\$ 135.00		
	\$ 245.76		
	\$ 7,610.86		
	\$ 16,876.20	\$ 27,693.89	
BlueCross BlueShield		\$ 5,014.07	11/23/2020
Mitel		\$ 573.26	11/23/2020

Less: Advance for expenses not cleared:

Misc CCC	\$ (155.82)	remaining credit card credit
Payable	\$ (959.34)	10/2 Lincoln double requested
Outstanding check	\$ (232.47)	Arnolds check 11/6

Advance Total reconciled \$ 75,000.00

DMC EDA
 Operating Account
 Reconciliation of Bank Balance to Advance Total
 Bank Balance Date: 12/31/2020

Balance per Bank: \$ 170,561.84

Add: Advance in transit for expense cleared bank
 or expenses not yet requested-

Payroll

\$	-	
\$	5,014.07	12/22/2020
\$	573.26	12/22/2020

Less: Advance for expenses not cleared:

\$	(155.82)	remaining credit card credit
\$	(959.34)	10/2 Lincoln double requested
\$	(70,034.01)	McKnight checks
\$	(30,000.00)	cash flow

Advance Total reconciled \$ 75,000.00

DMC EDA
 Operating Account
 Reconciliation of Bank Balance to Advance Total
 Bank Balance Date: 1/31/2021

Balance per Bank: \$ 33,763.36

Add:

Advance in transit for expense cleared bank
 or expenses not yet requested-

Receivable \$ 1,123.77 City - payroll 1/8

Payroll \$ 225.00
 \$ 245.76
 \$ 10,093.05
 \$ 19,272.66
 \$ 2,970.15

BlueCross BlueShield
 Mitel

\$ 32,806.62
 \$ 5,014.07 1/21/2021
 \$ 575.48 1/20/2021

Less:

Advance for expenses not cleared:

Misc CCC \$ (155.82) remaining credit card credit
 CCC \$ 34.00
 CCC \$ 3,297.86
 Payable \$ (959.34) 10/2 Lincoln double requested
 Payable \$ (500.00) McKnight checks

Outstanding check

Advance Total reconciled \$ 75,000.00

DMC EDA
 Operating Account
 Reconciliation of Bank Balance to Advance Total
 Bank Balance Date: 2/28/2021

Balance per Bank: \$ 52,836.37

Add: Advance in transit for expense cleared bank
 or expenses not yet requested-

Receivable		1,123.77	City - payroll 1/8	
Receivable		1,067.19	City - payroll 1/22	
Receivable		1,088.77	City - payroll 2/5	
Payroll	\$ 225.00			
	\$ 245.76			
	\$ 10,053.39			
	\$ 19,160.27			
	\$ 3,115.14	\$ 32,799.56	2/18/2021	
Payroll adjustment	\$ 92.85			
	\$ 427.81	\$ 520.66	2/23/2021	
BlueCross BlueShield		\$ 5,014.07	2/23/2021	
Mitel		\$ 575.48	2/22/2021	
Misc CCC		\$ (155.82)	remaining credit card credit	
CCC		\$ 18.00	2/23/2021	
CCC		\$ 1,750.96	2/25/2021	
Payable		\$ (959.34)	10/2 Lincoln double requested	
Payable		\$ (20,000.00)	cash flow / money from Events account	
Outstanding check		\$ (447.20)	Med City Electric	
Outstanding check		\$ (232.47)	Arnolds	

Advance Total reconciled \$ 75,000.00

DMC EDA
 Operating Account
 Reconciliation of Bank Balance to Advance Total
 Bank Balance Date: 3/31/2021

Balance per Bank: \$ 86,740.85

Add:
 Advance in transit for expense cleared bank
 or expenses not yet requested-

Receivable	1,123.77	City - payroll 1/8	\$
Receivable	1,067.19	City - payroll 1/22	\$
Receivable	1,088.77	City - payroll 2/5	\$
Receivable	1,067.20	City - payroll 2/18	\$
Receivable	1,088.77	City - payroll 3/5	\$
Receivable	1,067.19	City - payroll 3/19	\$
Check	9,721.61	City payroll true up - transfer from Events	\$
Payroll	1,038.89		\$

	1,038.89	3/22/2021	\$
Wire fee	26.00		\$
BlueCross BlueShield	5,014.07	3/23/2021	\$
Mitel	575.48	3/22/2021	\$

Less:

Advance for expenses not cleared:			
Misc	CCC	(155.82)	remaining credit card credit
	CCC	(3,481.07)	3/4 stmt
	CCC		
Payable		(959.34)	10/2 Lincoln double requested
Payable		(20,000.00)	cash flow / money from Events account
Payable		(10,000.00)	cash flow / money from Events account
Payable		(23.56)	Payroll credit
Outstanding check			

Advance Total reconciled
\$ 75,000.00

DMC EDA
 Operating Account
 Reconciliation of Bank Balance to Advance Total
 Bank Balance Date: 4/30/2021

Balance per Bank: \$ 33,651.24

Add:

Advance in transit for expense cleared bank
 or expenses not yet requested-

Receivable	\$	1,123.77	City - payroll 1/8
Receivable	\$	1,067.19	City - payroll 1/22
Receivable	\$	1,088.77	City - payroll 2/5
Receivable	\$	1,067.20	City - payroll 2/18
Receivable	\$	1,088.77	City - payroll 3/5
Receivable	\$	1,067.19	City - payroll 3/19
Receivable	\$	1,123.77	City - payroll 4/2
Receivable	\$	1,067.12	City - payroll 4/16
Payroll	\$	1,038.89	3/22/2021
Payroll	\$	225.00	
	\$	230.76	
	\$	10,494.89	
	\$	20,140.18	
	\$	(3,880.76)	27,210.07 4/30/2021

BlueCross BlueShield	\$	5,014.07	4/21/2021
Mitel	\$	519.29	4/21/2021
Aon	\$	997.00	

Less:

Advance for expenses not cleared:

Misc CCC	\$	(155.82)	remaining credit card credit
CCC			
CCC			
Payable	\$	(43.75)	Fidelity
Payable	\$	(80.50)	League of MN Cities
Payable	\$	(1,844.27)	Harleysville
Payable			
Outstanding check			

Advance Total reconciled

\$ 75,000.00

DMC EDA
 Operating Account
 Reconciliation of Bank Balance to Advance Total
 Bank Balance Date: 5/31/2021

Balance per Bank: \$ 32,563.12

Add:

Advance in transit for expense cleared bank
 or expenses not yet requested-

Receivable	\$	1,123.77	City - payroll 1/8
Receivable	\$	1,067.19	City - payroll 1/22
Receivable	\$	1,088.77	City - payroll 2/5
Receivable	\$	1,067.20	City - payroll 2/18
Receivable	\$	1,088.77	City - payroll 3/5
Receivable	\$	1,067.19	City - payroll 3/19
Receivable	\$	1,123.77	City - payroll 4/2
Receivable	\$	1,067.12	City - payroll 4/16
Receivable	\$	970.19	City - payroll 4/30
Receivable	\$	1,096.26	City - payroll 5/14
Receivable			City - payroll 5/28

Payroll	\$	225.00
Payroll	\$	230.76
	\$	10,210.79
	\$	19,914.16
	\$	(4,261.82)
	\$	26,318.89

5/28/2021

Mitel	\$	519.29	5/20/2021
BlueCross BlueShield	\$	5,014.07	5/21/2021
Intuit	\$	126.49	

Less:

Advance for expenses not cleared:

Misc CCC	\$	(155.82)	remaining credit card credit
CCC			
CCC			
Outstanding check	\$	(43.75)	Fidelity
Outstanding check	\$	(102.52)	Smith Schafer

Advance Total reconciled

\$ 75,000.00

DMC EDA
 Operating Account
 Reconciliation of Bank Balance to Advance Total
 Bank Balance Date: 6/30/2021

Balance per Bank: \$ 29,363.22

Add: Advance in transit for expense cleared bank
 or expenses not yet requested-

Receivable	1,123.77	City - payroll 1/8
Receivable	1,067.19	City - payroll 1/22
Receivable	1,088.77	City - payroll 2/5
Receivable	1,067.20	City - payroll 2/18
Receivable	1,088.77	City - payroll 3/5
Receivable	1,067.19	City - payroll 3/19
Receivable	1,123.77	City - payroll 4/2
Receivable	1,067.12	City - payroll 4/16
Receivable	970.19	City - payroll 4/30
Receivable	1,096.26	City - payroll 5/14
Receivable	1,065.46	City - payroll 5/28
Receivable	1,086.99	City - payroll 6/11
Receivable		City - payroll 6/25

Payroll	\$ 75.00
Payroll	\$ 245.76
	\$ 8,538.52
	\$ 17,136.04
	\$ 2,789.96

Mitel	\$ 28,785.28	Payroll 6/28
BlueCross BlueShield	\$ 519.29	6/22/2021
	\$ 3,640.35	6/23/2021

Less: Advance for expenses not cleared:
 Misc CCC \$ (155.82) remaining credit card credit
 CCC \$ (65.00) Nationwide
 Outstanding check

Advance Total reconciled \$ 75,000.00

DMC EDA
 Operating Account
 Reconciliation of Bank Balance to Advance Total
 Bank Balance Date: 7/31/2021

Balance per Bank: \$ 55,556.19

Add:
 Advance in transit for expense cleared bank
 or expenses not yet requested-

Receivable	\$	1,123.77	City - payroll 1/8
Receivable	\$	1,067.19	City - payroll 1/22
Receivable	\$	1,088.77	City - payroll 2/5
Receivable	\$	1,067.20	City - payroll 2/18
Receivable	\$	1,088.77	City - payroll 3/5
Receivable	\$	1,067.19	City - payroll 3/19
Receivable	\$	1,123.77	City - payroll 4/2
Receivable	\$	1,067.12	City - payroll 4/16
Receivable	\$	970.19	City - payroll 4/30
Receivable	\$	1,096.26	City - payroll 5/14
Receivable	\$	1,065.46	City - payroll 5/28
Receivable	\$	1,086.99	City - payroll 6/11
Receivable	\$	1,065.45	City - payroll 6/25
Receivable	\$	1,219.11	City - payroll 7/9
Receivable	\$	1,162.58	City - payroll 7/23

	\$	-
Mitel	\$	518.79 7/22/2021
BlueCross BlueShield	\$	2,953.49 7/22/2021

Less:
 Advance for expenses not cleared:
 Misc CCC \$ (155.82) remaining credit card credit
 CCC
 Outstanding check \$ (232.47) Arnolds

Advance Total reconciled
\$ 75,000.00

Discovery Square

To: DMC Corp. Board of Directors
From: DMC EDA
Date: September 24, 2021



Request of the board of directors for Discovery Walk:

1. Set a not-to-exceed total project budget of \$18.52M for Discovery Walk.
2. Designate the snowmelt system (Add Alt1) and the Community Space Structures (Add Alt 2) as DMC Public Infrastructure Projects and include them in the Discovery Walk Project.
3. Notes:
 - a. Base project bid package came in at \$15.55M, or \$1.25M under the original base project budget.
 - b. If approved, construction as planned would commence early 2022 and be completed in 2023.

Prior Direction on Discovery Walk from the DMCC Board:

- Approved budget = \$16.8M, based on 2018 conceptual design documents.
- Include Snowmelt and Community Spaces as add alts in the bid package.
- Final project scope and budget will be determined after responses to final bids.

Other Discovery Square Updates:

- Two Discovery Square core and shell should be complete by year end.
- Tenant recruitment discussions going well, good prospects for organizations on all floors.
- Early discussions under way about a Phase 3 project.
- Mayo Clinic Kellen Building construction has begun.
- Construction has begun on a 1,200-stall parking structure on the 400 block of 3rd Ave SW, including street level retail space.

Fulfilling the DMC Mission, Vision, and/or Goals:

Discovery Square is a new address for the future of bio-medical, research and technology innovation and a keystone to the DMC economic development strategy. The sub-district borrows from Mayo Clinic's integrated care model to create an integrated district founded in the principles of translational medicine.

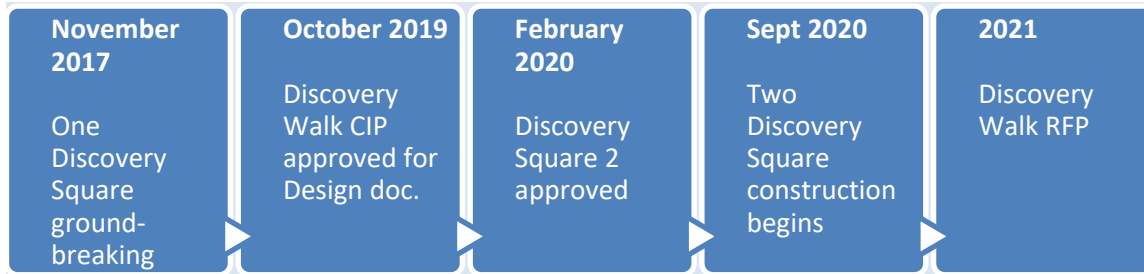
Technology and innovation are core to the DMC economic strategy. Our vision is to promote an economic development structure that fosters advancement and growth of the medical, research, innovation, education, entrepreneurial and general business environment in Rochester.

By attracting new businesses, supporting the launch and development of new startup businesses, and creating new public realm space, we aim to diversify the local economy, create jobs, generate new tax revenue, and create a place that fosters a vibrant community and attracts the workforce of the future.

Work plan or capital improvement budget implications:

The current DMC work plan describes a variety of initiatives supported by DMC 2020 operating and CIP funds, including the design documentation of Discovery Walk.

Approvals, milestones, and decision points:



DESTINATION MEDICAL CENTER CORPORATION**RESOLUTION NO. ___-2021****Providing Final Approval for the Expenditure of Funds from the 2021 and 2022 CIP Budget for the Discovery Walk Project**BACKGROUND RECITALS

A. Extensive planning and effort have been devoted to the four-block linear parkway project along 2nd Avenue SW (“Discovery Walk”). This significant project, led by the staff of the City of Rochester (the “City”) and the Destination Medical Center Economic Development Agency (“EDA”) and their consultants, researched successful community health initiatives, and pursued schematic design, detailed design, and on-going community engagement.

B. The DMCC has made significant approvals for Discovery Walk. In the 2020 Five Year Capital Improvement Plan, (the “2020 CIP”) approved by the DMCC on September 26, 2019, the DMCC preliminarily approved the next steps of the design of Discovery Walk in the amount of \$2,800,000. In the 2021 Five Year Capital Improvement Plan, (the “2021 CIP”), approved by the DMCC on August 27, 2020, the DMCC preliminarily approved design and implementation of Discovery Walk in the amount of \$7,000,000, with an overall project budget of \$16,800,000. The 2020 CIP and the 2021 CIP declared Discovery Walk to be a public infrastructure project, consistent with the Development Plan adopted by the DMCC on April 23, 2015, as amended. The DMCC reserved final approval upon final determination of scope, costs, and availability of funds. By Resolution No. 110-2020, adopted on November 19, 2020, the DMCC approved the design development drawings for Discovery Walk and authorized proceeding with construction documents and bids. By Resolution 114-2021, adopted on March 23, 2021, the DMCC approved an expanded scope of the construction bid documents to include add-alternates for a snow-melt system and weather shelters.

C. The City has received bid responses for Discovery Walk, and construction is expected to occur in 2022 and 2023. Staff report that the bid responses reflect a base project cost of \$15,560,000 (under budget); an add-alternate for the snow melt system cost of \$858,000; and an add-alternate for three community spaces (weather-protected outdoor seating), which will be re-bid at an estimated amount of \$2,100,000. The total recommended project costs are \$18,520,000, an increase of \$1,720,000.

D. The City and EDA staff now request final approval of the 2021 CIP in the amount of \$7,000,000 and final approval of the 2022 Five Year Capital Improvement Plan adopted of even date (the “2022 CIP”) in the amount of \$7,000,000 for the construction of Discovery Walk. The 2022 CIP also budgets for construction costs of \$1,720,000 for the year 2023. Staff requests approval of the Discovery Walk snow melt system and three community spaces as a public infrastructure project.

RESOLUTION

NOW THEREFORE, BE IT RESOLVED, by the Destination Medical Center Corporation Board of Directors that the DMCC finds that Discovery Walk addition of a snow melt system and three community spaces is a public infrastructure project within the meaning of Minnesota Statutes, Section 469.40, subdivision 11, which provides for: installing and constructing or reconstructing elements of public infrastructure required to support the overall development of the destination medical center development district, including, but not limited to, streets, roadways, utilities systems and related facilities, utility relocations and replacements, streetscape improvements, drainage systems, sewer and water systems, subgrade structures and associated improvements, landscaping, and other components of community infrastructure, as well as site improvements. The DMCC approves these additions to the project as consistent with the Development Plan

BE IT FURTHER RESOLVED, that the Board approves payment for construction of Discovery Walk in the amount of \$7,000,000 for the 2021 CIP and \$7,000,000 for the 2022 CIP.

BE IT FURTHER RESOLVED, that the Board supports the City in its bid process for this project and requests that the City and EDA staff provide regular updates with respect to Discovery Walk.

Mobility

To: DMC Corp. Board of Directors
From: DMC EDA
Date: September 24, 2021



Request of the board of directors:

- Feedback on Station Design and Proximity to Climate Control
- Confirmation on Principles of Vehicle Design

Background:

A multi-modal mobility strategy for the DMC has been developed that includes the implementation of a Rapid Transit Circulator, which is the current focus of DMC’s mobility infrastructure investments. Since the last Board meeting, the following updates have occurred:

- The project received the anticipated Medium-High rating from FTA and was included in the annual Federal budget
- The direct connection between the stations and the climate-controlled areas has been improved, particularly with the addition of direct subway connections at St. Marys and 2nd Street / Hilton
- West Transit Village (WTV) development partner process has kicked off
- Brand Identity finalized
- Rapid Transit station prototype open Sept. 13-30

The following two areas are in development and we anticipate Board discussion and goal setting:

- Station Design and Proximity to Climate Control
- Vehicle Design: procurement will occur in 2023; design preferences outlined by end of 2022

Fulfilling the DMC Vision, Mission, and/or Goals:

DMC EDA Staff are working in collaboration with the City staff and external consultant team led by SRF to develop the design of Rochester Rapid Transit. DMC is particularly focused on the end-to-end user experience of transportation across every mode of mobility, with the goal of creating a world-class experience that centers equity of access and foregrounds BRT as a desirable consumer choice.

Approvals, milestones, and decision points:

ROCHESTER RAPID TRANSIT DEVELOPMENT PROCESS



Accessing DMC Funding

To: DMC Corp. Board of Directors

From: DMC EDA

Date: September 24, 2021

Request of the DMCC Board:

Direct the DMC EDA to develop a funding application process for small and medium-sized development projects, for review at the November 2021 DMCC board meeting.

Prior Direction from the DMCC Board:

- From the Five-Year report issued in 2020, DMCC directed staff to focus on:
 - Supporting existing local businesses
 - Prioritizing public infrastructure
 - Reusing excess real estate capacity creatively
 - Diversifying the economy
 - Supporting development proactively
- In May 2021 DMCC directed staff to investigate how funding might be made available to small business owners to aid in economic recovery and downtown retail revitalization.

Background:

- Since inception, DMC capital has accessed by projects involving large scale developments and city infrastructure projects.
- To accelerate the economic recovery of the DMC district, we propose to develop a mechanism for DMC capital to be made accessible for small- and medium-scale development projects.
- These funds could complement the existing RDA Façade Improvement Grant program and the MN Main Street Economic Revitalization Program grant (should it be funded).

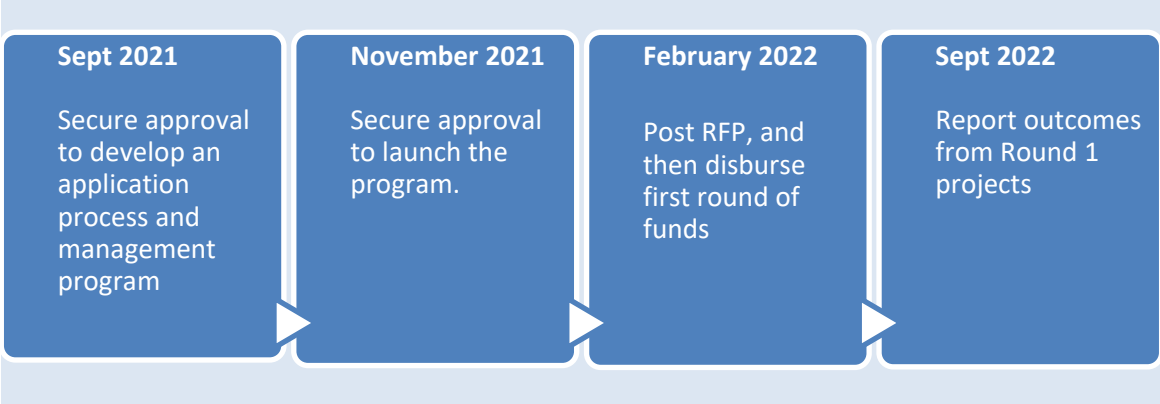
Why a Small Project Capital Strategy?

- Access to capital is a challenge for small business owners, especially BIPOC and/or new businesses.
- Additionally, COVID-19 has meant businesses and building operators need to utilize their space differently.
- Provide resources to under-served communities, an unrealized source of innovation and investment.
- Support small business owners and entrepreneurs to launch and grow businesses.

Status and Next Steps

- Secure approval to develop an application program.

Approvals, milestones, and decision points:



Heart of the City

To: DMC Corp. Board of Directors
From: DMC EDA
Date: September 24, 2021



Request of the board of directors:

- No Action Requested

Background:

Heart of the City Phase 1

The first phase of Destination Medical Center’s Heart of the City public realm project is a renovation of the east side of Peace Plaza and surrounding areas. The new design creates active, engaging experiences for residents, visitors and patients in the heart of downtown Rochester.

Known as Heart of the City Phase 1, it is focused on the redevelopment of three areas in the heart of downtown Rochester: East side of Peace Plaza, 1st Ave. SW between 2nd Street SW and W. Center Street and the adjacent alleys. The updates will provide enhanced safety measures, including curbsless streets, and provide greater accessibility for people of all abilities. Movable seating options will allow for a variety of public programming. The addition of more trees as well as interactive art displays and water features will create a family-friendly space to gather in the downtown area.

The project broke ground in April 2020 and is expected to finish in Fall 2021.

Business Forward Strategy

The Heart of the City team continues to use the Business Forward Strategy as a guide while working with the downtown stakeholders to finish construction. Business Forward Strategy principles include:

- Access, Safety and Smart Micro-Construction Phasing
- Communication
- Activation and Programming

**These principles are being applied in ways that are mindful of the social-distancing and other safety precautions necessary to avoid COVID-19 transmission.

These improvements, plus continual aggressive planning will have a dramatic impact on the final completion dates benefiting the local businesses and community. The team feels that the following dates are achievable with a favorable 1conditions.

<u>Project Component</u>	<u>Original Schedule</u>	<u>New Schedule</u>
• Second Street Completion	09/28/2020	08/25/2020 (COMPLETE)
• First Avenue South	07/28/2021	07/15/2021(COMPLETE)
• First Avenue North	08/20/2021	07/15/2021 (COMPLETE)
• Peace Plaza	08/13/2021	LATE FALL

Art Update

The five major art installations continue to progress as the team prepares for installation.

- **Iñigo Manglano-Ovalle, A Not So Private Sky:** The sculpture was installed on August 11. Community members and downtown stakeholders were invited to a viewing event that afternoon.

- **Ann Hamilton + Gwen Westerman, *Song of the Water*:** Raised letter granite pavers continue to be placed throughout the project. The project team has continued to work through two major issues that have the biggest impact on the overall timeline:
 - o There was a 6 month delay prior to the art work being accepted due to alignment of design and integrity goals of the project. The project team has adjusted the installed of the art to have the least amount of impact on the overall timeline.
 - o The project team has come into an issue related to workforce and the impact on the production rate of stone. This is causing some in overall timeline.
- **Eric Anderson, *Wakefield*:** Team members visited Eric's studio earlier this month to see the technology work (interpreting data into micro-fog) in person. The mechanical system will installed later this fall once granite pavers are in place.
- **Chuck E. Gagnon (survived by his wife Arlyn Gagnon), *Peace Fountain*:** The fountain has been restored and will be installed later this fall. The project team is working closely with Arlyn as the sculpture has many ties to the community.
- **Rafael Lozano-Hemmer, *Voice Canopy*:** The estimated costs related to the Voice Canopy system and actual were large enough that the project team was asked to identify other solutions. A catenary light system designed by the artist that meets the design goals and aligns with the integrity of the project will be installed without voice activation. It is designed to install it at a later date in an additional phase of the project.
 - o The project team is seeing some cost increase in steel and anticipates that the catenary system will be put into place once the plaza work is completed.

Inaugural Year + Milestone Activation

The goal of the inaugural strategy is to create a welcoming new Peace Plaza environment now and, in the future, focusing on inviting community, downtown workforce, and visitors.

- Daily Music Sessions (Sunday through Friday), in partnership with partnership with Rochester Downtown Alliance (RDA)
- Welcome Back Downtown, Opening of First Avenue South (July 8)
- Delivery and Installation of *A Not So Private Sky* (Aug 11)

Other programming will be added throughout the year.

Chateau Theatre

The Chateau Theatre is no longer under the management of a St. Paul-based company, Exhibits Development Group (EDG). The City of Rochester and EDG ended their contract early summer. A small working group was formed to evaluate current conditions and lessons learned. Key takeaways included:

- Ongoing maintenance and capital upkeep is required
- Local and regional community members feel personally connected to Chateau Theatre
- Visitors to Rochester continue to look for experiences/activities during their stay
- Dynamic programming is more important than static
- Intimate setting is a draw for attendees
- Local and regional programming is favored

On August 21, 2021 the City of Rochester announced the opening of the request for proposals for a new operator. Deadline for submittals was September 20, 2021.

Fulfilling the DMC Vision, Mission, and/or Goals:

Heart of the City subdistrict is a long-standing priority for the DMC Corp. board. It is home to many hotels, restaurants, entertainment venues, and medical facilities, many of which have been undergoing reinvestment. Transformation of the public realm, Peace Plaza, will be an asset to the downtown core, improve the patient, visitor and resident experience, and help spur future investment.

Work plan or capital improvement budget implications:

This project is funded via state GSIA funds generated through the DMC initiative, approved by both DMCC and Rochester City Council.

Approvals, milestones, and decision points:



Downtown Retail Recruitment Strategy

To: DMC Corp. Board of Directors
From: DMC EDA
Date: September 24, 2021



Request of the DMCC Board:
No Action Requested.

Activities:

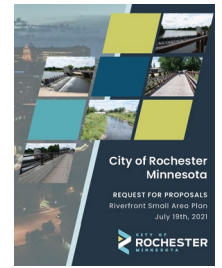
- **Priority 1:** Deliver collateral material that can be used to market downtown Rochester as a destination for local, regional, and national retail brands.
 - **Status:** Document development underway. Analysis of downtown residential profiles completed. Retail gap analysis has been beneficial.
 - **Next steps:** Finalize content, review and approvals from stakeholders, final edits, and production by mid-October. Then share with property owners/brokers and stakeholders for referrals and distribution.
- **Priority 2:** Be opportunistic when retailers express interest in the downtown market.
 - **Status:** Two national brands have been referred to brokers, discussions under way with both, proposals are being negotiated.
 - **Next steps:** Inventory existing space to understand the opportunities, continue to build relationships with local property owners/brokers.
- **Priority 3:** Develop interim uses for vacant properties
 - **Status:** In discussions with two local entrepreneurs about interim use for popup retail and popup arts operations.
 - **Next steps:** Work with the entrepreneurs and owners/brokers to find a good space fit. Identify other vacant locations that could be “dressed up” with visual merchandising.
- **Future Considerations**
 - Consider development of a marketing plan to recruit retailers.
 - Consider how best to fill the missing retail categories uncovered in the gap analysis.
 - Explore the opportunity of a retail incubator – both space and entrepreneur support services – in the core downtown area.

Approvals, milestones, and decision points:



Riverfront Reimagined

To: DMC Corp. Board of Directors
From: DMC EDA
Date: September 24, 2021



Request of the board of directors:

- No Action Requested.

Background:

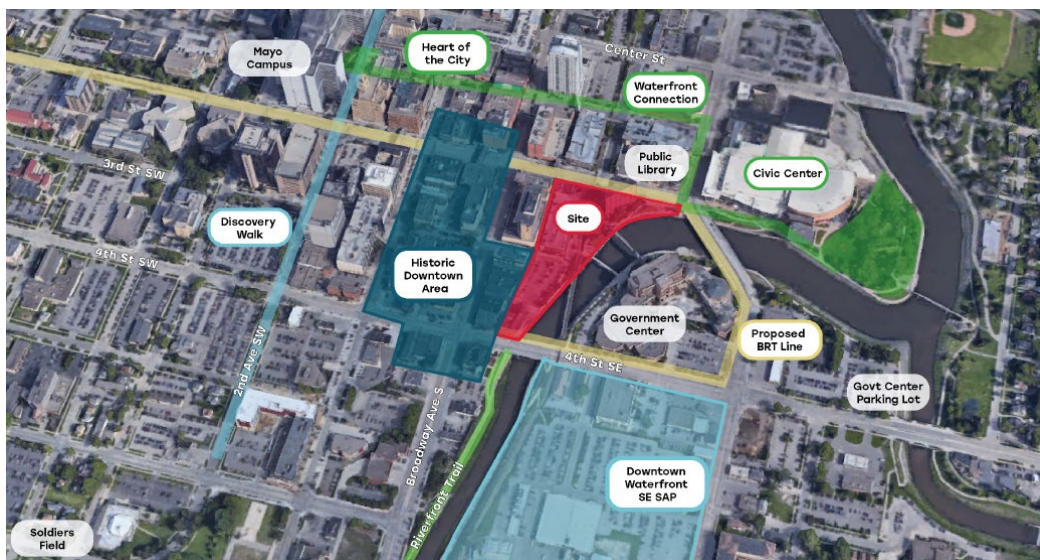
The City of Rochester solicited proposals from qualified and innovative teams to lead a community-driven process to develop a market-supported vision and small area plan for a central waterfront property that links together several civic, cultural and government assets to the heart of downtown Rochester and the Mayo Clinic. On September 20, 2021 City Council voted to accept a proposal from a team led by urban design firm Gamble Associates, along with collaborators SWA Group, NEOO Partners and Omloop.

The City-owned site has the potential to be both a “front door” that faces the river, as well as a gateway into downtown. Located at the intersection of the Rochester Arts and Culture District and the main street Mixed-Use District as outlined in the Downtown Master Plan, and in the Destination Medical Center (DMC) district.

The City envisions the site as part of the historic cultural triangle that encompasses the Library, Mayo Civic Center, Government Center, and the historic shops at 3rd and Broadway. The future Bus Rapid Transit corridor, now in design, will run east along 2nd Street and west along 4th Street adjacent to the site.

The current use of the property is primarily public parking, consisting of a surface parking lot and a four-level parking ramp. On the south end of the site is a vacant building currently under review for Landmark designation under the City’s Historic Preservation Ordinance. Depending on final Landmark designation and direction, the structure may be demolished, or redevelopment of the structure may need to be contemplated within the final plan. An active railroad line, with low volume use, segments a portion of the site. The site is zoned Central Development Core (CDC) and is located within the Downtown Waterfront DMC sub-district.

The plan will establish a people-centric place that leverages natural and cultural resources and supports multi-modal connectivity to adjacent areas including the Downtown. that leverages natural and cultural resources and supports multi-modal connectivity to adjacent areas including the Downtown.

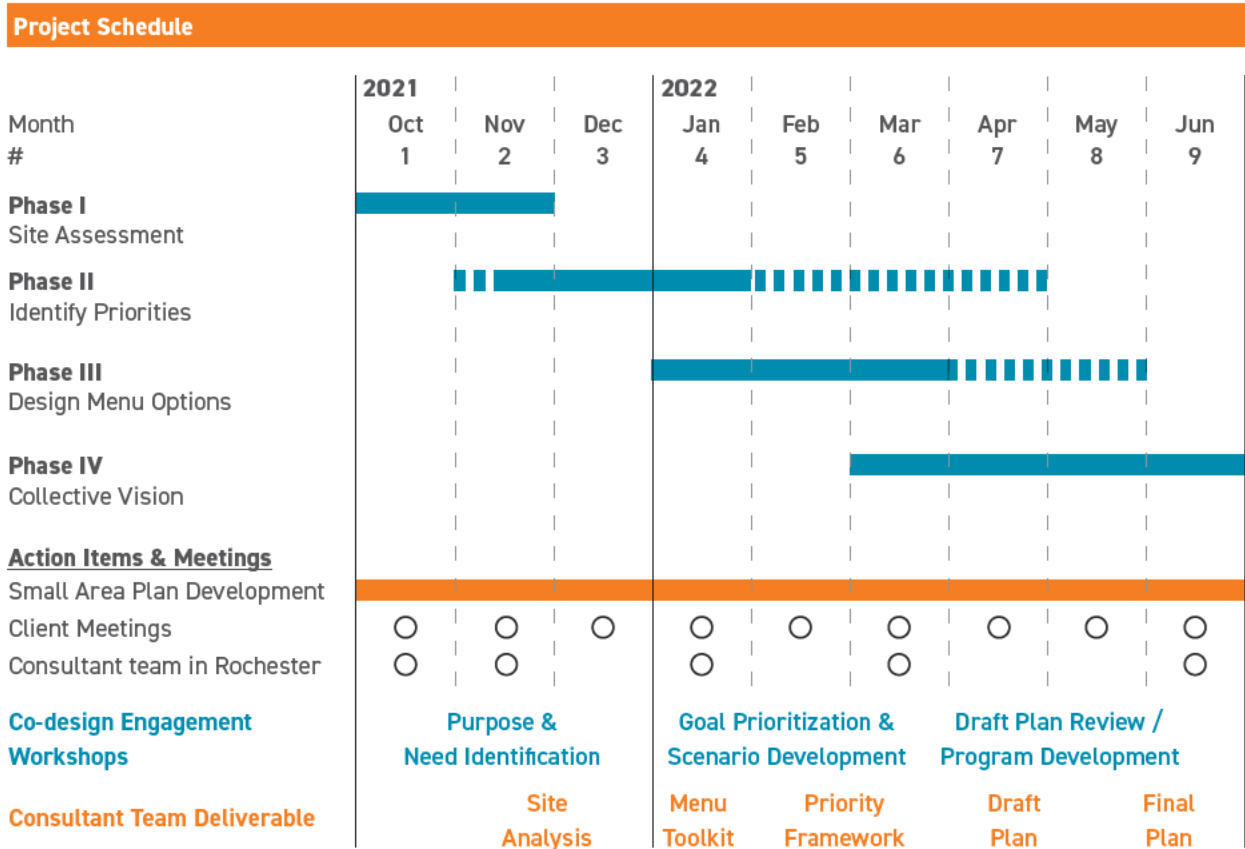


Fulfilling the DMC Vision, Mission, and/or Goals:

DMC EDA staff worked in collaboration with City staff to select the consultant team, and DMC staff will continue to participate through the visioning and design process. DMC is particularly focused on the public realm experience and linkages between this site and the rest of the district.

In order to draw greater public and stakeholder awareness to the potential of this site, DMC elected to hold its annual fall meeting on the City-owned waterfront site on September 16, 2021.

Approvals, milestones, and decision points:



Rapid Transit Corridor Development: West Transit Village (WTV)

To: DMC Corp. Board of Directors
From: DMC EDA
Date: September 24, 2021



Request of the board of directors:

- No Action Requested.

Background:

The DMC vision for the West Transit Village is to provide an authentic place where people want to be and leverage the opportunity to make the BRT journey better than a trip in a private single occupant vehicle.

To realize this ambitious vision, Mayo Clinic, City, DMC, and a private developer need to collaborate. The parties have agreed to a public-private partnership approach but are also mindful of the FTA transportation funding schedule for the transit elements of the site as well.

Fulfilling the DMC Vision, Mission, and/or Goals:

The DMC goal of mode shift for transportation requires a significant portion of commuting trips downtown to shift away from Single Occupant Vehicle (SOV) trips and towards other modes including Bus Rapid Transit. The West Transit Village is a key element of enabling the BRT to function well and provide an experience befitting the goal of DMC vision of a world class destination.

DEED Main Street Grant Application

To: DMC Corp. Board of Directors
From: DMC EDA Staff
Date: September 24, 2021

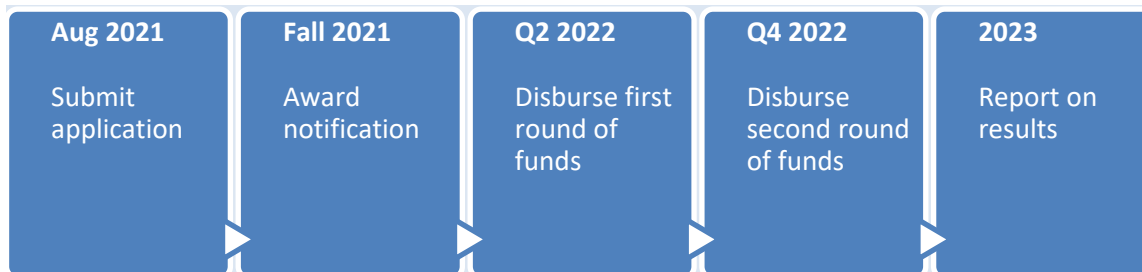
Request of the DMCC Board:

No Action Requested.

Context:

- This Minnesota DEED program funds 501C(3) organizations to fund 30% matching grants up to \$750,000 for eligible projects. Funding to be used for capital projects, not operating costs or working capital.
- Requires a 2:1 match from public or private sources.
- DMC partnered with City on the application. Letters of support from thirteen local stakeholders.
- DMC applied for \$3M funding on August 31st.
 - Award notification will be this fall.
 - If awarded, DMC funds will be disbursed in two tranches in 2022.
- Priority will go to BIPOC applicants and to properties that are vacant.
- Service Area for the program
 - East/West Boundary: 3rd Ave SE (east) and 3rd Ave SW (west)
 - North/South Boundary: 7th St SW (south) to Center St (north)
- Program components in the DMC application:
 - Full Scale Redevelopment, up to three projects
 - Re-Configuring Existing Space, up to 15 projects
 - Capital Support for Entrepreneurship Infrastructure, within the redevelopment and/or re-configuration projects

Approvals, milestones, and decision points:



Bryk Project

To: DMC Corp. Board of Directors
From: DMC EDA
Date: September 24, 2021



Action for the board of directors:

- No Action Requested
- Project Update: Construction has begun on the Bryk site.

Background:

Site: Land is officially purchased and owned by Bryk Apartments Rochester LLC. The property is located on the NW corner parcel of the intersection between N Broadway and Civic Center Drive.

Team:

- Project Team: John and Marcia Bouquet & Dirk Erickson (Investors & Developers) Kristina Larson (Operations consultant) Ben Kall (Real Estate Consultant): 30 years of local multi-family experience
- Design: ISG Architects
- Construction: Kraus Anderson



Project Objectives:



The project team is planning a mixed-use, mixed-income apartment building consisting of 180 workforce housing apartments and approximately 7,000 sf of commercial space with construction to begin summer of 2021 and be completed by Fall 2022.

The project will provide units at varying rent levels as outlined below. For reference, the 2019

Area Median Income (AMI) for Rochester was \$73,106. Typically, affordable housing cost is considered to be 30% of gross income.

- 54 units (30% of total) @ 50% AMI
- 18 units (10% of total) @ 60% AMI
- 108 units (60% of total) @ 80% AMI

The overall unit count and affordability targets are aiming to provide affordable workforce housing opportunities in the downtown that are a quick commute via bus or bike to the downtown core.

DMC/City Priority Alignment:

The project aligns with the following DMC and City priorities as follows:

- Workforce housing project within the City, Transit-Oriented Development (TOD) and DMC zones.
- Revitalizes blighted site
- Provides a balanced and sustainable housing stock
- Promotes neighborhood stabilization and revitalization in coordination with the North Broadway reconstruction project.
- Increase to the city's tax base.
- Commercial space is considering a few possibilities to address food insecurity or childcare needs. Portions of space will be intentionally held at below market rates to promote local small business integration into the project.
- Sufficient parking will also be included for the commercial tenants.
- Project is being designed to meet City and DMC Sustainable Design Requirements which will also benefit occupants in terms of lowering their monthly utility costs via improved building efficiency

Financing:

The project is utilizing the following sources of funding:

- First Mortgage (project team is meeting with multiple lenders)
- Equity (from Development team)
- Public Infrastructure funding (City TIF + DMC proposed funding)
- DEED (\$853,000 clean up grant)
- PACE
- TIF Loan



Funding Application Review Process:

- Developer submitted DMC joint application for funding to DMC EDA and City of Rochester; DMC EDA and City staff began professional review of funding application
- DMC EDA staff conferred with the DMC EDA board's informal project review committee, comprised of Jerry Bell and Tom Fisher, and prepared a draft evaluation report, including a funding recommendation
- The DMC EDA board reviews the report and issues a project recommendation to the DMCC board
- DMC EDA staff, joined by City staff, present the DMC EDA recommendation to the DMCC board
- DMCC board makes a determination regarding whether or not to designate development as a DMC project, and the amount of DMC funding to allocate to the project
- DMCC board determination is considered by the Rochester City Council, which must agree with the DMCC's decision for the project to be approved for DMC funding

District Energy

To: DMC Corp. Board of Directors
From: DMC EDA
Date: September 24, 2021

Request of the board of directors:

- No Action Requested.

Background:

In 2015, DMCC adopted the DMC Development Plan, where the principles of sustainability planning are interwoven throughout, through an integrated mix of medium-to-high density uses, integrated live-work environments and green/park space features throughout the downtown. Subsequent action by the DMCC board further reinforces its commitment energy, environmental sustainability and the evaluation and strategic pursuit of district energy systems (DES):

- 2015: DMC Sustainability Goals Adoption within DMC Development Plan
- 2015: Sustainable Energy Options Report Accepted by DMCC
- 2016: District Energy System Resolution Passed by DMCC
- 2019: EIC Strategic Energy Project Plan Approval by DMCC

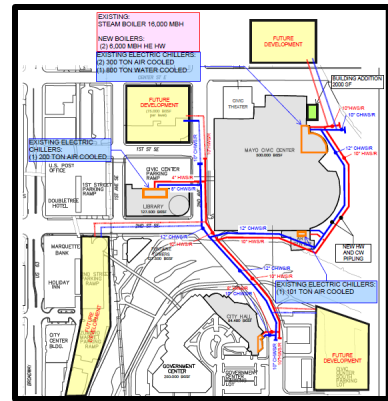
Recognizing the role that a downtown district energy system could have on realizing its energy consumption and carbon footprint reduction goals, DMCC authorized \$2 million in the 2021 and 2022 Capital Improvement Program, building off prior investment in preliminary engineering studies in 2019 and 2020.

Current Findings:

- Olmsted County's Waste to Energy Facility Steam Line will be decommissioned in October 2023
- Olmsted County decided to move forward with a building-based heating and cooling system and not participate in a district energy opportunity
- RPU has created a business plan for the DES including its anticipated operating costs and utility rates to customers
- RPU Board supported an approach to construct, operate and maintain a DES pending City Council direction
- Rochester City Council in March 2021 had a study session summarizing the work, progress, and next steps for the DES opportunity and asked that the City identify options to reduce the first cost and risk associated with identifying private developments to connect to the system

Next Steps:

- The Project Team identified a pathway to connect the City buildings and create the initial district energy plant within the Mayo Civic Center using additional space. City Staff will operate the system in its initial stages.
- DMC infrastructure funds are being used to upsize the system's piping connect 500,000 SF of future private developments around the government building sites. As more buildings are brought onto the system, a future DES plant can be placed behind the Civic Center.
- Additional planning will be conducted to connect the system to the South of Downtown Waterfront Site Development.
- City Staff brought forward a recommendation forward to City Council on May 3rd to move forward



with the design of the initial district energy infrastructure which was accepted.

- Design of the District Energy System has been underway since the spring and the City has been working to develop the financial approach and various opportunities for the project

Approvals, milestones, and decision points:



McKnight Foundation Grants

To: DMC Corp. Board of Directors
From: DMC EDA
Date: September 24, 2021



Request of the DMC EDA board of directors:

- No Action Requested
- Project Update:
 - Since the last DMCC Board meeting, a job description for the Equitable Development Coordinator was created in collaboration with our project partners and has been posted on the DMC EDA website.
 - DMC EDA is collaborating with the key project partners City of Rochester and Diversity Council to create a governance approach across organizations and execute the work plan objectives for the Vibrant and Equitable Communities program. We are working to fill the Equitable Development Coordinator position to participate in the grant's governance and next steps.

Background:

- The McKnight Foundation has supported the DMC EDA's sustainability activities since 2017 in the sum of \$150,000 over two years.
- In 2019, the Foundation, increased their commitment to the EDA's sustainability programs by supporting its efforts for another two years, through 2021 in the sum of \$185,000 over two years.
- Toward the end of 2020 and early 2021, the City of Rochester and DMC EDA finalized another application for McKnight funding through their Climate & Energy Program, and through their Vibrant and Equitable Communities Program.
 - The Climate & Energy Program invited the DMC EDA to apply again for a \$185,000 grant over a two-year period. The DMC EDA prepared an application in collaboration with the City of Rochester. This funding will help support the following initiatives:
 - Electric Vehicle Infrastructure Community Plan
 - Active Commuter Resource Center: Community Co-Design
 - Sustainability and Resiliency Downtown Demonstration Development
 - Sustainability and Resiliency Action Plan Implementation
 - Staff Support
 - In collaboration with the City of Rochester, Diversity Council, the DMC EDA prepared an application for the Vibrant and Equitable Communities Program in the sum of \$154,000 over a 12-18 month period. This funding will help support the hire of an Equitable Development Coordinator within the DMC EDA to work on the following initiatives:
 - **Accelerate Economic Mobility:** Within this objective, the Coordinator will support local initiatives that foster economic equity and inclusion and advance ownership opportunities. This work is critically important to promote the myriad of projects and initiatives within the City, foster connections, and as possible develop strategies to form a coordinated approach and strategy to entrepreneurship.
 - **Cultivate a Fair and Just Housing System:** Over the past year, an extensive housing analysis has shown there is a considerable need for affordable housing within the DMC District and throughout the region at varied rental and price points. The DMCC

and the City of Rochester have identified affordable housing as a strategic objective. With the results of the recent market demand studies in hand, the Coordinator will research housing development models that foster ownership opportunities for BIPOC communities and identify partners to deliver on the vision.

- **Strengthen Democratic Participation:** Based on the success of piloted equitable community engagement approaches coined community co-design, the Coordinator will work to operationalize this process into DMC infrastructure projects in 2021 and beyond.

Fulfilling the DMC Mission, Vision, and/or Goals:

Energy and sustainability is a key piece of the DMC principles, development plan and goals for the project. The DMC EDA team is working to implement a range of projects, programs and initiatives to realize the ambitious goals included in the DMC Development Plan across a range of impacts including community health, workplace health, energy, greenhouse gases, water consumption, waste, and transportation.

Work plan or capital improvement budget implications:

The current DMC work plan describes a variety of initiatives supported by the McKnight Foundation, DMC 2021 operating and CIP funds. The McKnight funds would help to support the work plan objectives outlined above.

Approvals, milestones, and decision points:

