



DMC-CITY-COUNTY COLLABORATIVE SESSION

February 3, 2021 1:00-3:00 P.M.



Pandemic Impacts p.1

In 2020, the city had to facilitate a second budget process mid-year to make \$26.2 million in cuts in the 2020 budget adjustments due to the pandemic impacts.



Our 2021 budget (\$472M) reflects our commitment to the community and our need to respond to the challenges:

- No tax levy increase
- No parking ramp or transit rate increases
- \$101.8M reduction from 2020



Rochester has a history of strong fiscal management:

- One of the few AAA/Aaa bond rated cities in the state.
- Has received a Certificate of Achievement for Excellence in Financial Reporting for almost 50 years, the longest in the state of Minnesota.
- Demonstrates the City's commitment to being sound fiscal stewards of the community.



City of Rochester Liquor License Relief for 2021 is intended is to make license holders 'whole' and not pay any liquor license for the year.



Pandemic Impacts p.2



Airport Traffic is down (impacting restaurants and lodging)

- Commercial passengers = 125,000 (37% of 2019 passengers)
- Aircraft operations = 39,000 (84% of 2019 operations) [through November, YTD]
- Cargo transported = 18,000,000 lbs. (85% of 2019 cargo volume)

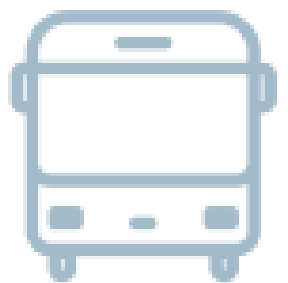


Impact on hotels has been dramatic:

- **Lodging Tax collection is dramatically down:**

The pandemic has impacted our lodging taxes much more than our sales taxes:

- Lodging Tax amounts declined \$3,748,436, or 57.6% from prior year over same-period collections (March-September)
- City Sales Tax amounts declined \$799,183, or 7.0% from prior year same period collections (March-September)
- Lodging Occupancy has been hit hard, even with clinic operations being active. Occupancy rates (OCC) are at 41% for 2020 through October 2020 (in 2019, they were 65%).



Transit ridership and parking ramp usage downtown is dramatically down, impacting local government revenue:

- Transit Ridership for 2020 through 10/2020: 760,074 (in 2019, ridership was 2.1 million)
- Parking impacts:
 - 2020 Full Year Ramp Uses were down 50% at approximately 660,000 (in 2019, they were 1.2 million uses or about \$5.1 million in revenue);
that has an impact of a \$1 million revenue reduction (about 20% year-over-year change)



CARES Funding

In the fall of 2020, the Rochester City Council approved investing \$5.1M dollars in Coronavirus Aid, Relief, and Economic Security (CARES) funding in three key areas: support for individuals, support for public service, and economic recovery. The funding originated from the federal government and was allocated to the City of Rochester by the State of Minnesota.

In total, \$8.8M was appropriated to Rochester, with more than \$3.7M spent in the first phase. Previous expenditures supported a grant program for local small businesses, food access, and assistance for individuals experiencing homelessness. More details can be found at www.rochestermn.gov/cares



Support for People Programs

- Targeted Outreach to Diverse Populations
- Rochester Conservation Corps
- Non-profit support: Economic Security & Food Stability Efforts
- Neighborhood Arts & Artists
- Support for those experiencing homelessness
- Residential Utility Assistance



Public Service Impact Programs

- RPU EOC
- Remote Work Technology
- Facility Modification
- Election Process
- City Hall Renovations



Economic Recovery Programs

- Keep-It-Local Grant Program
- Rochester Ready
- License Grant Program
- Civic Center Repositioning
- Parking Validation Program
- RPU Small Business Utility Relief
- Outdoor Dining

Rochester Ready

VISION STATEMENT: Rochester Ready is a community collaboration that aligns and leverages partner assets to achieve collective equitable economic recovery, resiliency and long-term prosperity.

EFFORTS: Assembled by several leadership groups in the community, the Rochester Ready program launched a business pledge program that aims to support local businesses and keep Rochester safe. Funding supported the launch of Rochester Ready, including educational videos, over 5,000 masks given to the community, and a shop-local campaign. A Rochester Ready/Rochester Health Community Partnership was also established to reach targeted populations in the community with safety and masking messages. Rochester Ready continues to collaborate on how to best engage the community around our collective response to the pandemic.

PARTNERSHIPS:



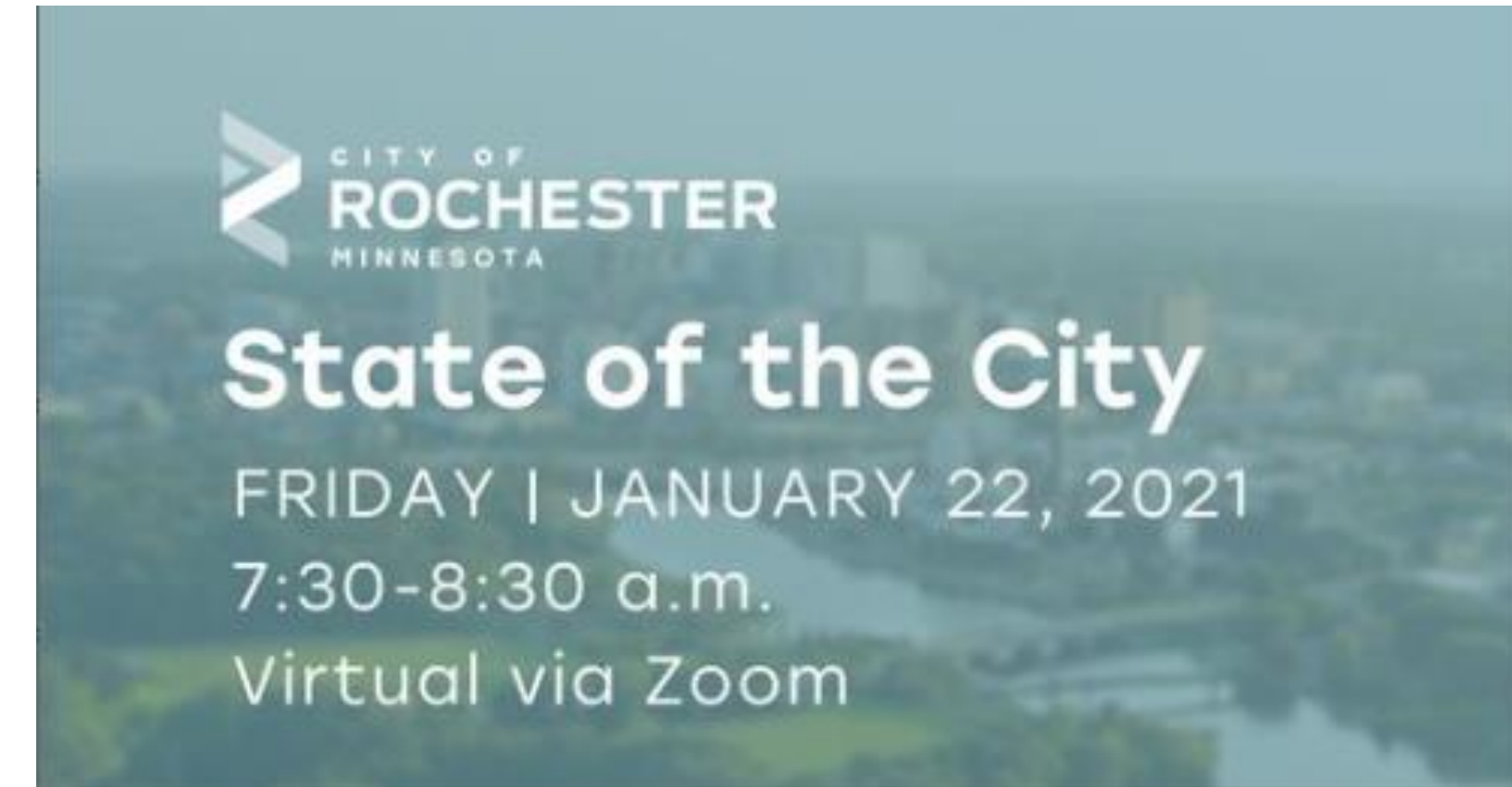
State of the City Overview

Prior to the Mayor's comments, the following groups provided updates on 2020 efforts and initiatives in Rochester:

- Rochester Public Schools (Jean Marvin, Chair)
- Olmsted County Board of Commissioners (Stephanie Podulke, Commissioner)
- Rochester Area Chamber of Commerce (Lizzy Hayward, Board Chair)
- Rochester Area Economic Development, Inc./RAEDI (John Wade, Interim President)
- Destination Medical Center/DMC (Patrick Seeb, Executive Director)
- Diversity Council (Dee Sabol, Executive Director)

Main Themes:

- Assisting the community through COVID-19
- Economic recovery & growth: attracting businesses, supporting local entrepreneurs & start-ups
- Diversity, Equity, & Inclusion
- Increasing available resources (i.e. housing support, health services, cash assistance, etc.)
- Creating & enhancing collaborations, especially between the public & private sectors



Related Links: [State of the City](#) | [2020 Year in Review](#)



JANUARY 25TH MEETING NOTES (FORWARD-LOOKING, NOT COMPLETE):

COUNCIL STUDY SESSION JAN 25 BUILDING COUNCIL CULTURE



WHAT DO YOU NEED?

WHAT DO YOU WANT TO BE AS A COUNCIL TEAM?
WHAT DO YOU NEED TO SUCCEED?

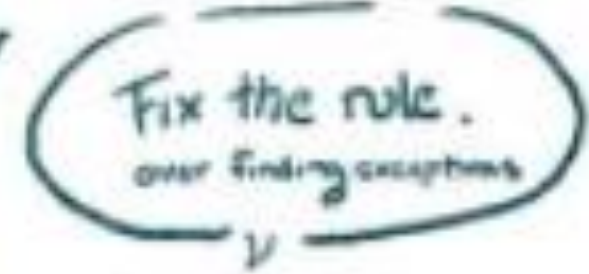


TO OPERATIONALIZE

Being Effective = How Do We Function. TOGETHER = INDIVIDUALS

INFORMATION SYMMETRY

AMONG COUNCIL



30% Ft Conversation CULTURE OVER "HOW"

FORWARD TOGETHER



(THE NEW ORANGE OF BILLYSTEEL)



CLARITY · ALIGNMENT · UNITY

So we can deliver on what YOU want.

CHANGE HAS ((((())) RIPPLE EFFECT



SAME PACKET

SEPARATE INFO FROM CONVERSATION



We need to work with some vils.

HOW DO WE SHARE? (RELY ON ALISHA'S TEAM FOR THE HOW)

• STEWARDSHIP

• REPRESENTATION

• ADVOCACY

• CONSISTENCY

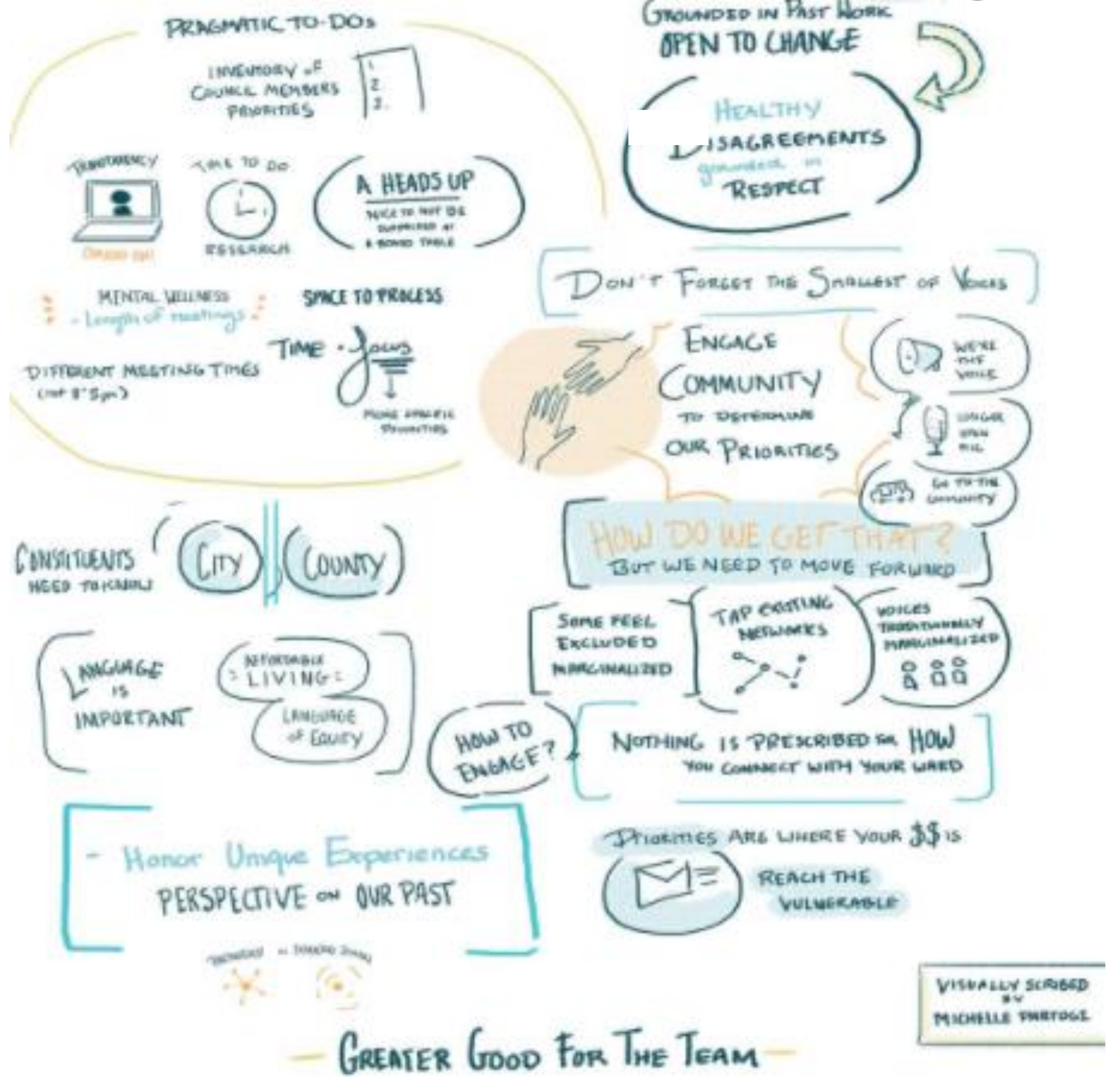
NEW VALUES

+ IN POLICIES



City Council Priorities & Planning p.1

City Council Priorities & Planning p.2





Diversity, Equity, & Inclusion

- [DEI Director:](#)
 - Chao Mwatela has appointed to serve as the City's first Diversity, Equity & Inclusion (DEI) Director.
 - Starting on February 25 and joins us from Rochester Community & Technical College.
- [Intercultural Development Inventory](#)
- [National League of Cities Race, Equity, and Leadership 100 \(REAL 100\) Training](#)
- [COVID-19 impacts and Diversity, Equity, & Inclusion survey project with POLCO/National Research Center and Diversity Council](#)
- [Collaboration with DMC on McKnight Foundation Grant](#)
- [Mayor's institute on Job Creation Economic Opportunity](#)

THANK YOU