



DMC
Destination
Medical Center

Destination Medical Center Corporation
Board of Directors Meeting

Thursday, September 22, 2022
9:30 A.M.

DESTINATION MEDICAL CENTER CORPORATION (DMCC)

BOARD MEETING

Thursday, September 22, 2022
9:30 A.M.

To View the Meeting Remotely: <https://us02web.zoom.us/j/87149811954>

AGENDA

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<u>Resolution B</u> : Approving the 2022 State of Minnesota Charitable Organization Report and 2021 Form 990	
IX. Metrics	

¹ For public comments, please indicate that you wish to speak either in-person at the meeting, through the chat feature on the web link, or by emailing info@dmc.mn by 9:00 AM on September 22nd. Written comments may also be submitted to info@dmc.mn.

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	A. Next Regular Meeting: November 10, 2022 at 9:30 A.M.	
XVI.	Adjournment	

DESTINATION MEDICAL CENTER CORPORATION (DMCC)
SPECIAL BOARD MEETING

Wednesday, May 18, 2022
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. Doug Baker, Jim Campbell, Council President Brooke Carlson, Mayor Kim Norton, Chair R.T. Rybak, Commissioner Mark Thein, Pamela Wheelock, and Paul Williams were present.
- III. Approval of Agenda. Ms. Wheelock moved approval of the agenda. Mayor Norton seconded the motion.

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

Nays: None.
- IV. Approval of Minutes: February 3, 2022. Mayor Norton moved approval of the minutes. Commissioner Thein seconded the motion.

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

Nays: None.
- V. Public Comment. No public comments were offered.
- VI. Chair's Report. Chair Rybak noted several Board action and discussion items, including a proposal to approve enhancements to the bus rapid transit project.
- VII. Election of Officers and Appointments.

- A. Election by Board. DMCC Counsel Brennan 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. Mayor Norton nominated Pam Wheelock for Chair; Ms. Wheelock nominated Mayor Norton for Vice Chair and Commissioner Thein for Treasurer. No other nominations were presented.

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

Nays: None.

- B. Appointment by Chair. Chair Wheelock appointed Paul Williams to the office of Board Secretary and Dale Martinson, City of Rochester Finance Director, to the office of Assistant Treasurer.

VIII. Consent Agenda.

- A. Resolution A: Ratifying and Confirming the Revised April 1, 2022 Report to DEED Pursuant to Statute.
- B. DMCC 2022 Budget Year-to-Date Update: Receive and File.
- C. 2021 Capital Improvement Plan (CIP) True-Up and Update.

Council President Carlson moved approval of the consent agenda; Mr. Williams seconded the motion.

Ayes: Mr. Baker, Mr. Campbell, Council President Carlson, Mayor Norton, Mr. Rybak, Commissioner Thein, Chair Wheelock, Mr. Williams.

Nays: None.

- IX. DMCC Audit for Year Ending December 31, 2021. 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. Mr. Campbell moved to accept the financial statements and audit results. Commissioner Thein seconded the motion.

Ayes: Mr. Baker, Mr. Campbell, Council President Carlson, Mayor Norton, Mr. Rybak, Commissioner Thein, Chair Wheelock, Mr. Williams.

Nays: None.

- X. EDA Board President Comments. Clark Otley, M.D., EDA Board of Directors President, announced that the EDA received a second Main Street Economic Revitalization Program grant award from DEED in the amount of \$950,000 for use outside of the DMC Development District, and reported on the publishing of a community co-design toolkit, and efforts to expand housing development opportunities.
- XI. DMC Metrics. Doug Holtan, Mayo Clinic Chair of Facilities and Support Services, presented an overview of Mayo Clinic's recently-updated five-year capital plan. The plan describes potential capital projects and includes inventories of employee distribution, parking, facilities growth, and other key metrics. Major ongoing projects include the expansion of the proton beam therapy center, construction of the Kellen Building, and a shared parking ramp in Discovery Square. Mr. Holtan also noted Mayo Clinic's commitment to transit village development and rapid transit. Mr. Campbell encouraged regular updates on this plan to the Board as a helpful guidepost.

XII. Project Discussions (City of Rochester, EDA).

- A. Heart of the City. Patrick Seeb, EDA Executive Director, and Jamie Rothe, Community Engagement and Experience Director, provided the Heart of the City update. Ms. Rothe noted the City of Rochester's selection of Threshold Arts as the Chateau Theatre's interim management organization, and the completion of final Heart of the City public realm "punch list" items. Ms. Rothe also described the elements of a planned post-occupancy analysis.

Resolution B: Amending the 2022 Capital Improvement Plan (CIP) Budget and Providing Final Approval of Expenditure of Funds for the Chateau Theatre.

Mr. Campbell moved to approve Resolution B. Council President Carlson seconded the motion.

Ayes: Mr. Baker, Mr. Campbell, Council President Carlson, Mayor Norton, Mr. Rybak, Commissioner Thein, Chair Wheelock, Mr. Williams.

Nays: None.

- B. Discovery Square. Chris Schad, EDA Business Development Director, described development activity in Discovery Square, noting that leasing discussions are ongoing for every floor of Two Discovery Square and that the construction of Discovery Walk continues.
- C. Mobility. Cindy Steinhauser, City of Rochester Deputy Administrator, and Catherine Malmberg, EDA Public Infrastructure & Development Strategy Director, presented proposed changes to the bus rapid transit project to enhance the user experience, realign the route, and revise project definitions in the FTA Small Starts application. Ms. Steinhauser described the benefits of these revisions, explained that the proposed share of local match funding will not be impacted, and noted that the project timeline will be extended into 2026 to allow for necessary federal reviews.

Resolution C: Approving Route Adjustments, Enhancements to Bus Rapid Transit Application in Federal Transit Administration's Small Starts Program.

Mayor Norton moved to approve Resolution C. Mr. Baker seconded the motion.

Ayes: Mr. Baker, Mr. Campbell, Council President Carlson, Mayor Norton, Mr. Rybak, Commissioner Thein, Chair Wheelock, Mr. Williams.

Nays: None.

- D. Private Development. Ms. Malmberg presented a summary of Board priorities and areas of focus considering the updated Development Plan. The Board discussed multiple components of housing development; Chair Wheelock

suggested that an upcoming meeting provide time for further discussion. Mr. Campbell suggested status updates on approved projects. Ms. Malmberg previewed the Three Discovery Square proposed development.

XIII. EDA Work Plan Implementation.

- A. 2023 DMCC Funding Request: Priorities, Process, and Timeline. Mr. Seeb and Ms. Malmberg described the funding request timeline and process and presented a proposed set of revised capital project prioritization principles. Mayor Norton and Chair Wheelock discussed the need to retain a focus on the legislative purposes, while considering a long-range vision.
- B. Business Development / Lead Generation. Michael Flynn, EDA Senior Economic Development Director, described the economic development program principles, including direct lead generation, awareness building, research/data, and lead management. He noted several action items, including efforts to refine DMC's lead generation identification criteria and to develop a market perception survey. The Board discussed relationships with other economic development efforts in the state. Mr. Flynn noted that he continues to develop relationships with the Medical Alley Association, DEED, and Mayo Clinic to advance DMC's business development program.

XIV. Adjournment. Mr. Rybak moved to adjourn the meeting; Mayor Norton seconded.

Ayes: Mr. Baker, Mr. Campbell, Council President Carlson, Mayor Norton, Mr. Rybak, Commissioner Thein, Chair Wheelock, Mr. Williams.

Nays: None.

LIABILITY COVERAGE – WAIVER FORM

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

Destination Medical Center Corporation

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: September 22, 2022

Signature: _____

Position: Chair

DESTINATION MEDICAL CENTER CORPORATION

RESOLUTION NO. ____-2022

Approving the 2023 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 2023 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 schedule on the website and to post notification by such other means as he determines necessary and appropriate.

<u>Date</u>	<u>Time</u>	<u>Location</u>
Thursday, February 2, 2023	9:30 a.m.	Mayo Civic Center
Thursday, May 25, 2023	9:30 a.m.	Mayo Civic Center
Thursday, September 28, 2023	9:30 a.m.	Mayo Civic Center
Friday, November 17, 2023	9:30 a.m.	Mayo Civic Center

To: Mark Thein, Treasurer
Kaela Brenan, Attorney



From: Dale Martinson, Assistant Treasurer

Date: September 14, 2022

RE: August 2022 DMCC Budget Summary

The attached budget summary through August of 2022 reflects DMCC operating expenditures totalling \$1,120,903 of the \$2.4 million approved 2022 budget. The remaining amount unspent represents 54% of the total budget with 33% of the year remaining. An additional August DMC EDA payment application of \$48,284 was received in September and will be paid this month.

The second and third pages of this summary provides a listing of DMCC authorized capital projects managed by the City of Rochester, and categorized by program budgets.

Approximately \$8.2 million has been spent on these projects through August of this year with the majority spent on Discovery Walk, the North 12th Avenue Sewer, North Broadway and Rapid Transit activity. Total life-to-date expenditures on these projects is approximately \$94.3 million.

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

Destination Medical Center Corporation
Financial Budget Summary
August 31, 2022

	2022 Approved Budget	Current Month August 2022	August 2022 Year To Date	Amount Remaining	Percent Remaining
Rents and Leases	38,588	7,993	14,118	24,470	63%
Professional Services	182,100	9,873	65,840	116,260	64%
Travel/Training	6,000		164	5,836	97%
Insurance and Bonds	20,000	9,810	21,779		
Interest / Other Administrative	312	3	17		
		-	-	-	
Subtotal DMCC	247,000	27,679	101,918	146,566	59%
Third Party Costs - DMC EDA					
Payroll, Staff, Administration & Benefits-EDA	1,262,205	87,464	688,564	573,641	45%
Operating Expenses	80,151	16,255	168,464	(88,313)	-110%
Operational Costs - Contracted		4,550	13,549	(13,549)	
Economic Development Outreach & Support	211,763	7,189	59,200	152,563	72%
Professional Services	583,510	13,766	89,208	494,302	85%
Miscellaneous Expenses	52,000	-		52,000	100%
Subtotal EDA	2,189,629	129,224	1,018,985	1,170,644	53%
Total DMCC 2022	2,436,629	156,903	1,120,903	1,315,726	54%
Plus: Encumbrance - Carry forward of 2021 Budget Amount	82,000	-	3,926	78,074	95%
Note: An additional payment request of \$48,283.99 was received in September for August DMC EDA activity.					
		DMCC	Working Capital Note	1,000	
		EDA	Working Capital Note	100,000	

DMCC Projects by Category
Managed by City of Rochester
Through August 2022

PROJECT	PROJECT STATUS	YEAR TO DATE EXPENSES	PROJECT BUDGET	LIFE TO DATE EXPENSES	LIFE TO DATE ENCUMBRANCE
Administration					
C.8601 - City Project Administrative Costs-DMCC (Budget-Current Yr)	Annual Budget	295,138	863,915	2,344,997	
C.8606 - City Staff Costs-DMCC - (Budget-Current Yr)	Annual Budget	21,798		427,069	
C.8607 - County Staff Costs-DMCC	Complete			168,754	
C.8629 - Development Plan Update	Complete		750,000	154,960	
C.8632 - Downtown Changes COVID-19	Complete		250,000	43,524	
C.8902 - FestivalAreaStdy&ConceptDesign	Complete			84,133	
Total Administration		316,935	1,613,915	3,095,780	
Econ Development/Public Realm					
C.8624 - ChateauTheatreBldgImprov/Purch	Nearly Complete	35,743	8,817,541	8,596,541	14,788
C.8625 - Heart of the City	Nearly Complete	655,443	18,248,940	21,014,455	277,727
C.8633 - Strategic Development	Ongoing		10,000,000	2,200,000	
C.8634 - Riverfront Reimagined	Study	124,791		179,547	
C.8904 - Discovery Walk	Active Construction	3,399,097	14,000,000	5,646,698	9,078,057
Total Econ Development/Public Realm		4,215,073	51,066,481	37,637,241	9,370,571
Infrastructure					
C.8611 - San. Sewer 12th Ave from 2nd St NW to 2nd St SW	Active Construction	1,637,135	6,260,294	5,660,294	533,870
C.8612 - West Zmbro San Sewer Lift Line from CookPk to Civic C Drive	Complete		950,000	46,592	Combined w/8611
C.8626 - San. Sewer Upsize 1st Ave & 3rd Ave SE on 4th / Govt Cntr Siphon	Complete		8,500,000	8,635,287	
C.7326 - Reconst 4th St SW from 1st Ave to 6th Ave	Complete		2,205,789	2,205,789	
C.7319 - Reconst 7th Ave NW from 2nd St NwW to 4th NW	Complete		1,107,000	1,107,000	
C.7318 - Reconst North Broadway -	Active Construction	982,642	4,400,000	4,400,000	Allocation Share
C.7830 1st Street NW San Sewer Diversion from 1st Ave to Broadway	Post Construction	-	1,371,000	1,391,200	Allocation Share
Total Infrastructure		2,619,777	24,794,083	23,446,162	533,870

DMCC Projects by Category
Managed by City of Rochester
Through August 2022

PROJECT	PROJECT STATUS	YEAR TO DATE EXPENSES	PROJECT BUDGET	LIFE TO DATE EXPENSES	LIFE TO DATE ENCUMBRANCE
Transit					
C.8614 - DMCTransit&InfrastrctrPgrmMgmt	Complete		3,956,739	1,874,219	
C.8617 - Broadway @ Center Parking Ramp	Complete		10,500,000	10,500,000	
C.8618 - SharedParkngStudy&PrgmDevlpmnt	Complete		2,061,854	1,874,219	
C.8620 - City Loop Plan	Complete		1,209,938	968,732	
C.8621 - Transit Circulator Study	Complete		2,241,532	1,780,877	
C.8623 - DMCC Street Use Study	Complete		3,117,708	2,885,882	
C.8628 - Downtown Circulator Project	Complete			269,941	
C.8706 - DMCTransitCirculatorTODPlnStdy	Complete			829,414	
C.8707 - Rapid Transit Projects	Design	986,034	24,136,647	7,272,002	
C.8709 - Arrive Rochester Implementatn	Ongoing	25,806	90,000	104,485	
C.8903 - Dedicated Bike Lanes-3rd/4thAve&CtrSt	Near Complete	156	2,038,300	1,757,306	-
Total Transit		1,011,996	49,352,718	30,117,077	-
Grand Total		8,163,781	126,827,197	94,296,259	9,904,441



1

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



2

IRS Form 990

- Schedule B (page 23) – contributors
- Schedule R (page 33) – related organizations
- No unrelated business income for 2021
- Filing deadline is November 15, 2022



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, 2022



Minnesota Non-profit Corporation Annual Registration

- Filed online with Minnesota Secretary of State
- In good standing through December 31, 2021
- Annual renewal to be filed (online) for 2023



Thank you for engaging us to serve you!

Contact Information:

Craig Popenhagen, Principal

507-280-2327

Craig.popenhagen@claconnect.com

Katherine Lutzke, Senior

507-280-2314

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CLIFTONLARSONALLEN LLP
2689 COMMERCE DRIVE NW, SUITE 201
ROCHESTER, MN 55901

DESTINATION MEDICAL CENTER CORPORATION
201 4TH STREET SE, 204
ROCHESTER, MN 55904

|||||

CLIENT'S COPY

DRAFT



Destination Medical Center Corporation
201 4th Street SE 204
Rochester, MN 55904

Destination Medical Center Corporation:

Enclosed is the organization's 2021 Exempt Organization return.

Specific filing instructions are as follows.

FORM 990 RETURN:

This return has qualified for electronic filing. After you have reviewed the return for completeness and accuracy, please sign, date and return Form 8879-TE to our office. We will transmit the return electronically to the IRS and no further action is required. Please return Form 8879-TE to us as soon as possible, but no later than by November 15, 2022 the filing deadline.

In addition, tax-exempt organizations must make available for public inspection a copy of their annual returns for the preceding three years and exemption application, if applicable. An organization generally must furnish filings to anyone who requests them in person or in writing. An exempt organization may meet this requirement by posting all the documents on its website or at another organizations site as part of a database of similar materials. Specific requirements must be met to meet this exception.

MINNESOTA ANNUAL REPORT:

The Minnesota Annual Report should be mailed as soon as possible to:

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

Enclose a check or money order for \$25, payable to State of Minnesota.

Include the organization's Federal Employer Identification Number and 2021 Annual Report on the remittance.

The report should be signed and dated by the authorized individual(s).

Please include the following items with your MN Charities Annual Report submission:

- Copy of the Form 990 plus all schedules
- Copy of the Audited Financial Statements
- Full listing of the board of directors including names, titles, addresses, and compensation paid to each
- \$25 registration fee

The documents can be mailed to the address listed above, or send via email to: charity.registration@ag.state.mn.us. You may pay the \$25 registration fee via check, or credit card. If you would like to pay via credit card you may do so at: www.ag.state.mn.us/Charity/CharFees.aspx.

A few final reminders relating to your tax return filings:

- There are substantial penalties for failure to properly disclose and report foreign financial accounts and foreign activity. Please make sure you have informed us of any foreign financial accounts or foreign activity so that we have the necessary information to complete any required disclosures or filings.
- Be sure to review the returns prior to signing as you have final responsibility for all information included in the returns. Please contact us if you have any questions or concerns.
- We recommend you keep a paper or electronic copy of your tax returns permanently. Supporting documentation should be kept for a minimum of seven years based on IRS guidance.

CLA exists to create opportunities – for our clients, our people, and our communities. We value our relationship with you and thank you for your trust and confidence in allowing us to serve you. If we can assist you in making strategic, informed decisions in areas of tax or beyond, please contact us as questions arise throughout the year.

Sincerely,

CliftonLarsonAllen LLP

DRAFT



DESTINATION MEDICAL CENTER CORPORATION

FORM 990 INCOME TAX RETURN

FOR YEAR ENDED DECEMBER 31, 2021

DRAFT

Form **8879-TE****IRS e-file Signature Authorization
for a Tax Exempt Entity**

OMB No. 1545-0047

For calendar year 2021, or fiscal year beginning _____, 2021, and ending _____, 20____

2021Department of the Treasury
Internal Revenue Service▶ **Do not send to the IRS. Keep for your records.**
▶ **Go to www.irs.gov/Form8879TE for the latest information.**

Name of filer

DESTINATION MEDICAL CENTER CORPORATION

EIN or SSN

46-4959371Name and title of officer or person subject to tax **MARK THEIN**
TREASURER**Part I Type of Return and Return Information**

Check the box for the return for which you are using this Form 8879-TE and enter the applicable amount, if any, from the return. Form 8038-CP and Form 5330 filers may enter dollars and cents. For all other forms, enter whole dollars only. If you check the box on line **1a, 2a, 3a, 4a, 5a, 6a, 7a, 8a, 9a,** or **10a** 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, 7b, 8b, 9b,** or **10b,** 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.**

1a Form 990 check here ▶ <input checked="" type="checkbox"/>	b Total revenue, if any (Form 990, Part VIII, column (A), line 12)	1b 2,053,572.
2a Form 990-EZ check here ... ▶ <input type="checkbox"/>	b Total revenue, if any (Form 990-EZ, line 9)	2b _____
3a Form 1120-POL check here ▶ <input type="checkbox"/>	b Total tax (Form 1120-POL, line 22)	3b _____
4a Form 990-PF check here ... ▶ <input type="checkbox"/>	b Tax based on investment income (Form 990-PF, Part V, line 5)	4b _____
5a Form 8868 check here ▶ <input type="checkbox"/>	b Balance due (Form 8868, line 3c)	5b _____
6a Form 990-T check here ▶ <input type="checkbox"/>	b Total tax (Form 990-T, Part III, line 4)	6b _____
7a Form 4720 check here ▶ <input type="checkbox"/>	b Total tax (Form 4720, Part III, line 1)	7b _____
8a Form 5227 check here ▶ <input type="checkbox"/>	b FMV of assets at end of tax year (Form 5227, Item D)	8b _____
9a Form 5330 check here ▶ <input type="checkbox"/>	b Tax due (Form 5330, Part II, line 19)	9b _____
10a Form 8038-CP check here ▶ <input type="checkbox"/>	b Amount of credit payment requested (Form 8038-CP, Part III, line 22)	10b _____

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

Under penalties of perjury, I declare that ☒ I am an officer of the above entity or ☐ I am a person subject to tax with respect to (name of entity) _____, (EIN) _____ and that I have examined a copy of the

2021 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

☒ I authorize **CLIFTONLARSONALLEN LLP** to enter my PIN **82924**
ERO firm name Enter five numbers, but do not enter all zeros

as my signature on the tax year 2021 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 entity, I will enter my PIN as my signature on the tax year 2021 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 ▶

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 2021 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 ▶ **09/13/22****ERO Must Retain This Form - See Instructions****Do Not Submit This Form to the IRS Unless Requested To Do So**

LHA For Privacy act and Paperwork Reduction Act Notice, see instructions.

Form **8879-TE** (2021)

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

OMB No. 1545-0047

- **File a separate application for each return.**
► **Go to www.irs.gov/Form8868 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 File by the due date for filing your return. See instructions.	Name of exempt organization or other filer, see instructions. DESTINATION MEDICAL CENTER CORPORATION	Taxpayer identification number (TIN) 46-4959371
	Number, street, and room or suite no. If a P.O. box, see instructions. 201 4TH STREET SE, 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
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Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	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
Form 990-T (corporation)	07		

• The books are in the care of ► **DALE MARTINSON**
201 4TH STREET SE, 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, 2022**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
► ☒ calendar year **2021** 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-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-TE and Form 8879-TE for payment instructions.

Form **990**Department of the Treasury
Internal Revenue Service**Return of Organization Exempt From Income Tax**
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

▶ 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.

OMB No. 1545-0047

2021Open to Public
Inspection**A For the 2021 calendar year, or tax year beginning and ending****B** Check if applicable:

- ☐ Address change
☐ Name change
☐ Initial return
☐ Final return/terminated
☐ Amended return
☐ Application pending

C Name of organization**DESTINATION MEDICAL CENTER CORPORATION**

Doing business as

Number and street (or P.O. box if mail is not delivered to street address)

201 4TH STREET SE

Room/suite

204

City or town, state or province, country, and ZIP or foreign postal code

ROCHESTER, MN 55904**F** Name and address of principal officer: **MARK THEIN****SAME AS C ABOVE****D** Employer identification number**46-4959371****E** Telephone number**507-328-2850****G** Gross receipts \$**2,053,572.****H(a)** Is this a group returnfor subordinates? ☐ Yes ☒ No**H(b)** Are all subordinates included? ☐ Yes ☐ No

If "No," attach a list. See instructions

H(c) Group exemption number ▶**I** Tax-exempt status: ☒ 501(c)(3) ☐ 501(c) () ◀ (insert no.) ☐ 4947(a)(1) or ☐ 527**J** Website: ▶ **WWW.DMC.MN****K** Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶**L** Year of formation: **2013****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 2021 (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.
7b	Net unrelated business taxable income from Form 990-T, Part I, line 11 7b 0.	
Revenue	8	Contributions and grants (Part VIII, line 1h) 2,349,677. 2,053,572.
	9	Program service revenue (Part VIII, line 2g) 0. 0.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d) 0. 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) 2,349,677. 2,053,572.
	Expenses	13
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) 2,349,677. 2,053,572.
18		Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25) 2,349,677. 2,053,572.
19		Revenue less expenses. Subtract line 18 from line 12 0. 0.
Net Assets or Fund Balances	20	Total assets (Part X, line 16) 235,013. 379,838.
	21	Total liabilities (Part X, line 26) 235,013. 379,838.
	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			
	MARK THEIN, TREASURER Type or print name and title				
Paid Preparer Use Only	Print/Type preparer's name CRAIG POPENHAGEN	Preparer's signature CRAIG POPENHAGEN	Date 09/13/22	Check if self-employed <input type="checkbox"/>	PTIN P01587689
	Firm's name ▶ CLIFTONLARSONALLEN LLP	Firm's EIN ▶ 41-0746749	Phone no. 507-280-2300		
Firm's address ▶ 2689 COMMERCE DRIVE NW, SUITE 201 ROCHESTER, MN 55901					

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

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

WITH MAYO CLINIC AT ITS HEART, THE DESTINATION MEDICAL CENTER (DMC) INITIATIVE WILL BE THE CATALYST TO POSITION ROCHESTER, MINNESOTA AS THE WORLD'S PREMIER DESTINATION CENTER FOR HEALTH AND WELLNESS; ATTRACTING PEOPLE, INVESTMENT, AND JOBS TO AMERICA'S CITY FOR HEALTH

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

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

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

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

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

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

4a (Code:) (Expenses \$ 1,883,365. 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 **1,883,365.**Form **990** (2021)

Part IV Checklist of Required Schedules

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

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>	22	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>	23	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>	24a	X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	
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?	24c	
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d	
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>	25a	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>	25b	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>	26	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>	27	X
28 Was the organization a party to a business transaction with one of the following parties (see the 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>	28a	X
b A family member of any individual described in line 28a? <i>If "Yes," complete Schedule L, Part IV</i>	28b	X
c A 35% controlled entity of one or more individuals and/or organizations described in line 28a or 28b? <i>If "Yes," complete Schedule L, Part IV</i>	28c	X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29	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>	30	X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31	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>	32	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>	33	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>	34	X
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	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>	35b	
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>	36	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>	37	X
38 Did the organization complete Schedule O and provide explanations on Schedule O for Part VI, lines 11b and 19?	38	X

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

Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck 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	1a	2
b Enter the number of Forms W-2G included on line 1a. Enter -0- if not applicable	1b	0
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	

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

	Yes	No
2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	0
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b	
Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file. See instructions.		
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a	X
b If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation on Schedule O	3b	
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a	X
b If "Yes," enter the name of the foreign country		
See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).		
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	X
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	X
c If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c	
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a	X
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b	
7 Organizations that may receive deductible contributions under section 170(c).		
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a	X
b If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c	X
d If "Yes," indicate the number of Forms 8282 filed during the year	7d	
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e	X
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f	X
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g	
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h	
8 Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	8	
9 Sponsoring organizations maintaining donor advised funds.		
a Did the sponsoring organization make any taxable distributions under section 4966?	9a	
b Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?	9b	
10 Section 501(c)(7) organizations. Enter:		
a Initiation fees and capital contributions included on Part VIII, line 12	10a	
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b	
11 Section 501(c)(12) organizations. Enter:		
a Gross income from members or shareholders	11a	
b Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b	
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a	
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b	
13 Section 501(c)(29) qualified nonprofit health insurance issuers.		
a Is the organization licensed to issue qualified health plans in more than one state?	13a	
Note: See the instructions for additional information the organization must report on Schedule O.		
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b	
c Enter the amount of reserves on hand	13c	
14a Did the organization receive any payments for indoor tanning services during the tax year?	14a	X
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation on Schedule O	14b	
15 Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year?	15	X
If "Yes," see the instructions and file Form 4720, Schedule N.		
16 Is the organization an educational institution subject to the section 4968 excise tax on net investment income?	16	X
If "Yes," complete Form 4720, Schedule O.		
17 Section 501(c)(21) organizations. Did the trust, any disqualified person, or mine operator engage in any activities that would result in the imposition of an excise tax under section 4951, 4952 or 4953?	17	
If "Yes," complete Form 6069.		

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

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

Section A. Governing Body and Management

	1a	1b	2	3	4	5	6	7a	7b	8a	8b	9	Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year	8													
If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain on Schedule O.														
b Enter the number of voting members included on line 1a, above, who are independent		8												
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?			2											X
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?				3										X
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?					4									X
5 Did the organization become aware during the year of a significant diversion of the organization's assets?						5								X
6 Did the organization have members or stockholders?							6							X
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?								7a	X					
b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?									7b	X				
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:														
a The governing body?										8a	X			
b Each committee with authority to act on behalf of the governing body?											8b	X		
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												9		X

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

	10a	10b	11a	11b	12a	12b	12c	13	14	15a	15b	16a	16b	Yes	No
10a Did the organization have local chapters, branches, or affiliates?	10a														X
b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?		10b													
11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?			11a	X											
b Describe on 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					12a	X									
b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?						12b	X								
c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe on Schedule O how this was done							12c	X							
13 Did the organization have a written whistleblower policy?								13							X
14 Did the organization have a written document retention and destruction policy?									14						X
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?															
a The organization's CEO, Executive Director, or top management official										15a					X
b Other officers or key employees of the organization											15b				X
If "Yes" to line 15a or 15b, describe the process on Schedule O. See instructions.															
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?												16a			X
b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?													16b		

Section C. Disclosure

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

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

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

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

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.

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>	3		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>	4		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>	5		X

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

				(A)	(B)	(C)	(D)
				Total revenue	Related or exempt function revenue	Unrelated business revenue	Revenue excluded from tax under sections 512 - 514
Contributions, Gifts, Grants and Other Similar Amounts	1 a	Federated campaigns	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations	1d				
	e	Government grants (contributions)	1e	2,053,572.			
	f	All other contributions, gifts, grants, and similar amounts not included above ...	1f				
	g	Noncash contributions included in lines 1a-1f	1g	\$			
	h	Total. Add lines 1a-1f		2,053,572.			
Program Service Revenue				Business Code			
	2 a						
	b						
	c						
	d						
	e						
	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	6a	(i) Real	(ii) Personal		
	b	Less: rental expenses ...	6b				
	c	Rental income or (loss)	6c				
	d	Net rental income or (loss)					
	7 a	Gross amount from sales of assets other than inventory	7a	(i) Securities	(ii) Other		
	b	Less: cost or other basis and sales expenses	7b				
	c	Gain or (loss)	7c				
	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				
	b	Less: direct expenses	8b				
	c	Net income or (loss) from fundraising events					
	9 a	Gross income from gaming activities. See Part IV, line 19	9a				
b	Less: direct expenses	9b					
c	Net income or (loss) from gaming activities						
10 a	Gross sales of inventory, less returns and allowances	10a					
b	Less: cost of goods sold	10b					
c	Net income or (loss) from sales of inventory						
Miscellaneous Revenue				Business Code			
	11 a						
	b						
	c						
	d	All other revenue					
	e	Total. Add lines 11a-11d					
12	Total revenue. See instructions			2,053,572.	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 ☐

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21 ...				
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
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 accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits				
10 Payroll taxes				
11 Fees for services (nonemployees):				
a Management				
b Legal	132,323.		132,323.	
c Accounting	5,800.		5,800.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A), amount, list line 11g expenses on Sch O.)	15,796.		15,796.	
12 Advertising and promotion				
13 Office expenses				
14 Information technology				
15 Royalties				
16 Occupancy	2,546.		2,546.	
17 Travel	146.		146.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials ...				
19 Conferences, conventions, and meetings				
20 Interest	650.	650.		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization				
23 Insurance	13,596.		13,596.	
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A), amount, list line 24e expenses on Schedule O.)				
a PROGRAM COSTS	1,882,715.	1,882,715.		
b				
c				
d				
e All other expenses				
25 Total functional expenses. Add lines 1 through 24e	2,053,572.	1,883,365.	170,207.	0.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				

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

Part X Balance SheetCheck 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 Cash - non-interest-bearing		1	
	2 Savings and temporary cash investments	896.	2	3,313.
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net		4	
	5 Loans and other receivables from any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B)		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges	96,274.	9	78,937.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a		
	b Less: accumulated depreciation	10b	10c	
	11 Investments - publicly traded securities		11	
	12 Investments - other securities. See Part IV, line 11		12	
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11	137,843.	15	297,588.
16 Total assets. Add lines 1 through 15 (must equal line 33)	235,013.	16	379,838.	
Liabilities	17 Accounts payable and accrued expenses	62,739.	17	224,901.
	18 Grants payable		18	
	19 Deferred revenue	96,274.	19	78,937.
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	76,000.	25	76,000.
	26 Total liabilities. Add lines 17 through 25	235,013.	26	379,838.
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 Net assets without donor restrictions		27	
	28 Net assets with donor restrictions		28	
	Organizations that do not follow FASB ASC 958, check here <input type="checkbox"/> and complete lines 29 through 33.			
	29 Capital stock or trust principal, or current funds		29	
	30 Paid-in or capital surplus, or land, building, or equipment fund		30	
	31 Retained earnings, endowment, accumulated income, or other funds		31	
	32 Total net assets or fund balances	0.	32	0.
	33 Total liabilities and net assets/fund balances	235,013.	33	379,838.

Form 990 (2021)

Part XI Reconciliation of Net AssetsCheck 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	2,053,572.
2	Total expenses (must equal Part IX, column (A), line 25)	2	2,053,572.
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 ReportingCheck 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 on 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 (2021)

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.

OMB No. 1545-0047

2021

Open to Public Inspection

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

- 1 ☐ A church, convention, or association of churches, 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).)

3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**

4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: _____

5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)

6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**

7 ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)

8 ☐ A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)

9 ☐ An agricultural research organization described in **section 170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land-grant college of agriculture (see instructions). Enter the name, city, and state of the college or university: _____

10 ☐ An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions, subject to certain exceptions; and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)

11 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**

12 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2).** See **section 509(a)(3).** Check the box on lines 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g.

a ☐ **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. **You must complete Part IV, Sections A and B.**

b ☐ **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). **You must complete Part IV, Sections A and C.**

c ☐ **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**

d ☐ **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). **You must complete Part IV, Sections A and D, and Part V.**

e ☐ Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.

f Enter the number of supported organizations

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

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

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) 2017	(b) 2018	(c) 2019	(d) 2020	(e) 2021	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	2471264.	2581655.	2700723.	2349677.	2053572.	12156891.
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	2471264.	2581655.	2700723.	2349677.	2053572.	12156891.
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.						12156891.

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2017	(b) 2018	(c) 2019	(d) 2020	(e) 2021	(f) Total
7 Amounts from line 4	2471264.	2581655.	2700723.	2349677.	2053572.	12156891.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources	6.	14.	14.	0.	0.	34.
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						12156925.
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 2021 (line 6, column (f), divided by line 11, column (f))	14	100.00	%
15 Public support percentage from 2020 Schedule A, Part II, line 14	15	100.00	%
16a 33 1/3% support test - 2021. 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 - 2020. 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 - 2021. 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 - 2020. 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) 2021

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) 2017	(b) 2018	(c) 2019	(d) 2020	(e) 2021	(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) 2017	(b) 2018	(c) 2019	(d) 2020	(e) 2021	(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 on 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 2021 (line 8, column (f), divided by line 13, column (f))	15	%
16 Public support percentage from 2020 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2021 (line 10c, column (f), divided by line 13, column (f))	17	%
18 Investment income percentage from 2020 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2021. 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 - 2020. 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).</i>		
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described on line 7? <i>If "Yes," complete Part I of Schedule L (Form 990).</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 on 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 on 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 on lines 11b and 11c below, the governing body of a supported organization?		
11a		
b A family member of a person described on line 11a above?		
11b		
c A 35% controlled entity of a person described on line 11a or 11b above? If "Yes" to line 11a, 11b, or 11c, provide detail in Part VI .		
11c		

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? 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.		
1		
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? 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.		
2		

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)? 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).		
1		

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

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? 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.			
2a			
b Did the activities described on 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? 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.			
2b			
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? If "Yes" or "No" provide details in Part VI .			
3a			
b Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? If "Yes," describe in Part VI the role played by the organization in this regard.			
3b			

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	<input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions).		

Schedule A (Form 990) 2021

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 - <i>provide details in Part VI</i>)	5	
6 Other distributions (<i>describe in Part VI</i>). 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 (<i>provide details in Part VI</i>). See instructions.	8	
9 Distributable amount for 2021 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-2021	(iii) Distributable Amount for 2021
1 Distributable amount for 2021 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2021 (reasonable cause required - <i>explain in Part VI</i>). See instructions.			
3 Excess distributions carryover, if any, to 2021			
a From 2016			
b From 2017			
c From 2018			
d From 2019			
e From 2020			
f Total of lines 3a through 3e			
g Applied to underdistributions of prior years			
h Applied to 2021 distributable amount			
i Carryover from 2016 not applied (see instructions)			
j Remainder. Subtract lines 3g, 3h, and 3i from line 3f.			
4 Distributions for 2021 from Section D, line 7: \$			
a Applied to underdistributions of prior years			
b Applied to 2021 distributable amount			
c Remainder. Subtract lines 4a and 4b from line 4.			
5 Remaining underdistributions for years prior to 2021, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, <i>explain in Part VI</i> . See instructions.			
6 Remaining underdistributions for 2021. Subtract lines 3h and 4b from line 1. For result greater than zero, <i>explain in Part VI</i> . See instructions.			
7 Excess distributions carryover to 2022. Add lines 3j and 4c.			
8 Breakdown of line 7:			
a Excess from 2017			
b Excess from 2018			
c Excess from 2019			
d Excess from 2020			
e Excess from 2021			

Schedule A (Form 990) 2021

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)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ Attach to Form 990 or Form 990-PF.
▶ Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2021

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), 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), 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).

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

Schedule B (Form 990) (2021)

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	\$ 2,053,572.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization

Employer identification number

DESTINATION MEDICAL CENTER CORPORATION**46-4959371****Part III**

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

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

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

SCHEDULE D
(Form 990)Department of the Treasury
Internal Revenue Service**Supplemental Financial Statements**▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.**
▶ **Attach to Form 990.**▶ **Go to www.irs.gov/Form990 for instructions and the latest information.**

OMB No. 1545-0047

2021**Open to Public Inspection****Name of the organization**

DESTINATION MEDICAL CENTER CORPORATION

Employer identification number

46-4959371

Part I**Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.** Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Schedule D (Form 990) 2021

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

d ☐ Loan or exchange program

b ☐ Scholarly research

e ☐ Other _____

c ☐ Preservation for future generations

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

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets

to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

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

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

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

c Beginning balance

d Additions during the year

e Distributions during the year

f Ending balance

	Amount
1c	
1d	
1e	
1f	

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

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

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

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

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

a Board designated or quasi-endowment ☐ %

b Permanent endowment ☐ %

c Term endowment ☐ %

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

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

(i) Unrelated organizations

(ii) Related organizations

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

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

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

Part VI Land, Buildings, and Equipment.

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

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

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

Schedule D (Form 990) 2021

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	222,588.
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	297,588.

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 ... ☐

Schedule D (Form 990) 2021

SCHEDULE O
(Form 990)

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 Form 990-EZ.

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

OMB No. 1545-0047

2021

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 1A:

THE EXECUTIVE COMMITTEE IS COMPRISED OF THE CHAIR, TREASURER, AND SUCH
OTHER PERSONS, IF ANY, ELECTED BY THE BOARD OF DIRECTORS. THE MAJORITY 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 OLSTED 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) 2021

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

2021

Open to Public
Inspection

Name of the organization

DESTINATION MEDICAL CENTER CORPORATION

Employer identification number

46-4959371

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

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

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

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

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

Schedule R (Form 990) 2021

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

	Yes	No
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	1a	X
b Gift, grant, or capital contribution to related organization(s)	1b	X
c Gift, grant, or capital contribution from related organization(s)	1c	X
d Loans or loan guarantees to or for related organization(s)	1d	X
e Loans or loan guarantees by related organization(s)	1e	X
f Dividends from related organization(s)	1f	X
g Sale of assets to related organization(s)	1g	X
h Purchase of assets from related organization(s)	1h	X
i Exchange of assets with related organization(s)	1i	X
j Lease of facilities, equipment, or other assets to related organization(s)	1j	X
k Lease of facilities, equipment, or other assets from related organization(s)	1k	X
l Performance of services or membership or fundraising solicitations for related organization(s)	1l	X
m Performance of services or membership or fundraising solicitations by related organization(s)	1m	X
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n	X
o Sharing of paid employees with related organization(s)	1o	X
p Reimbursement paid to related organization(s) for expenses	1p	X
q Reimbursement paid by related organization(s) for expenses	1q	X
r Other transfer of cash or property to related organization(s)	1r	X
s Other transfer of cash or property from related organization(s)	1s	X
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
(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.

[illegible]

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: 12312021

mm/dd/yyyy

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

Mailing Address:

DALE MARTINSON

Contact Person

201 4TH STREET SE, NO. 204

Street Address

ROCHESTER, MN 55904

City, State, and ZIP Code

507-328-2850

Phone Number

DMARTINSON@ROCHESTERMN.GOV

Email Address

Physical Address:

DALE MARTINSON

Contact Person

201 4TH STREET SE, NO. 204

Street Address

ROCHESTER, MN 55904

City, State, and ZIP Code

507-328-2850

Phone Number

DMARTINSON@ROCHESTERMN.GOV

Email Address

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: \$ 2,053,572.

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.

MARK THEIN

Name (Print)

Signature

TREASURER

Title

Date

PAMELA WHEELOCK

Name (Print)

Signature

CHAIR

Title

Date

DESTINATION MEDICAL CENTER CORPORATION

RESOLUTION NO. ____-2022

**Approving the 2022 State of Minnesota Charitable
Organization Annual Report and 2021 Form 990**

BACKGROUND RECITALS

A. On behalf of the Destination Medical Center Corporation (“DMCC”), CliftonLarsonAllen (“CLA”) prepared the 2022 State of Minnesota Charitable Organization Annual Report (the “Annual Report”) and 2021 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 22, 2022, and are on file with the DMCC.

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED, by the Destination Medical Center Corporation, that the 2022 State of Minnesota Charitable Organization Annual Report and 2021 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.

2023 DMCC Funding Request

To: DMCC Board of Directors

From: DMC EDA

Date: September 16, 2022

Request of the board of directors:

Approve the 2023 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)
- DMCC operating budget
- DMC EDA and City project management workplan and operating budget
- Working Capital Loan extension

From May-August 2022, members of the DMC EDA and DMC Corp. boards volunteered to advise DMC EDA and City staff in the preparation of the funding request.

Next Steps:

- September 22, 2022: DMCC board reviews the 2023 DMCC funding request
- October 2022: Rochester City Council considers 2023 DMCC funding request

DMC CAPITAL PLAN

Public Realm					
DESCRIPTION		2023 DMC FUNDING SOURCE	PROPOSED 2023 DMC FUNDING	PROJECTED 2024 DMC FUNDING	PHASE 2 (2020-2024) DMC FUNDING
1	Chateau Theatre: Improvements and Asset Preservation	DMC GSIA	\$1,000,000	\$100,000	
2	Discovery Walk: Construction	DMC GSIA	\$1,720,000		
3	Education-Recreation Subdistrict (Soldiers Memorial Field Park): Public Realm Planning, Design, and Construction	DMC GSIA	\$10,000,000		
4	Downtown Waterfront: Riverfront Planning and Design	DMC GSIA	\$1,000,000		
5	Heart of the City: Public Realm connection to the Mayo Civic Center	DMC GSIA		\$1,200,000	
6	St Marys Place: Public Realm Design and Construction	DMC GSIA		\$3,300,000	
			2023 Subtotal \$13,720,000	2024 Subtotal \$4,600,000	Phase 2 Subtotal (2020-2024) \$52,770,000
Phase 2 Target Range \$35-50M					
Mobility					
DESCRIPTION		2023 DMC FUNDING SOURCE	PROPOSED 2023 DMC FUNDING	PROJECTED 2024 DMC FUNDING	PHASE 2 (2020-2024) DMC FUNDING
7	Transportation Management: Arrive Rochester TMA Implementation	City DMC Aid	\$60,000	\$60,000	
8	Rapid Transit, including Second Street Reconstruction & Streetscape	DMC GSIA	\$9,092,566		
		DMC County Transit Aid	\$3,419,779	\$3,718,569	
		DMC State Transit Aid	\$5,129,668	\$5,577,854	
9	Rapid Transit: Phase II Planning	City DMC Aid	\$300,000		
			2023 Subtotal \$18,002,013	2024 Subtotal \$9,356,423	Phase 2 Subtotal (2020-2024) \$60,117,083
Phase 2 Target Range \$60-75M					
Strategic Redevelopment					
DESCRIPTION		2023 DMC FUNDING SOURCE	PROPOSED 2023 DMC FUNDING	PROJECTED 2024 DMC FUNDING	PHASE 2 (2020-2024) DMC FUNDING
10	Private Project Infrastructure	DMC GSIA	\$3,000,000	\$3,000,000	
			2023 Subtotal \$3,000,000	2024 Subtotal \$3,000,000	Phase 2 Subtotal (2020-2024) \$23,300,000
Phase 2 Target Range \$20-45M					
Streets and Sewers					
DESCRIPTION		2023 DMC FUNDING SOURCE	PROPOSED 2023 DMC FUNDING	PROJECTED 2024 DMC FUNDING	PHASE 2 (2020-2024) DMC FUNDING
11	Streets: Sixth Street Bridge, Sixth Street S.E., Waterfront Connectivity	DMC GSIA	\$1,000,000	\$9,000,000	
12	Sewer: Construct sanitary sewer capacity bypass on 3rd Ave SW from 2nd St SW to 4th St SW	DMC GSIA	\$50,000	\$1,500,000	
			2023 Subtotal \$1,050,000	2024 Subtotal \$10,500,000	Phase 2 Subtotal (2020-2024) \$32,277,223
Phase 2 Target Range \$35-50M					
Operations					
DESCRIPTION		2023 DMC FUNDING SOURCE	PROPOSED 2023 DMC FUNDING	PROJECTED 2024 DMC FUNDING	PHASE 2 (2020-2024) DMC FUNDING
13	DMC Corp.	City DMC Aid	\$232,317	\$238,125	
14	DMC administrative support by City of Rochester	City DMC Aid	\$100,000	\$100,000	
15	DMC EDA	City DMC Aid	\$2,623,528	\$2,689,116	
16	City DMC Project Management	City DMC Aid	\$996,277	\$776,008	
17	DMC Development Plan Update	DMC GSIA		\$250,000	
			2023 Subtotal \$3,952,122	2024 Subtotal \$4,053,249	Phase 2 Subtotal (2020-2024) \$19,198,899
Phase 2 Target Range \$15-20M					
			2023 DMC Funding Total \$39,724,135	2023 DMC Funding Total \$31,509,672	Phase 2 Total (2020-2024) \$187,663,205
Phase 2 Target Range \$200,000,000					

2023 DMC GSIA:	\$26,862,566
2023 City DMC Aid:	\$4,312,122
2023 County DMC Transit Aid:	\$3,419,779
2023 State DMC Transit Aid:	\$5,129,668
2023 DMC Total:	\$39,724,135

Chateau Theatre Improvements



Department: City Administration

CIP Business Unit: 8600

Division: City Administration

Project Number: 8613

Contact Person: Noloan L Schild

Location: Destination Medical Center - Chateau Theatre

Project Category: Destination Medical Center

Department Priority: 5

Ward: NA

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?: Not Applicable

Foundation Principles Supported:

Fiscal Responsibility & Sustainability

Strategic Priorities Supported:

Balance Public Infrastructure Investment

Department Funding Request:

Anticipated Funding Source	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
State DMC Funds	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

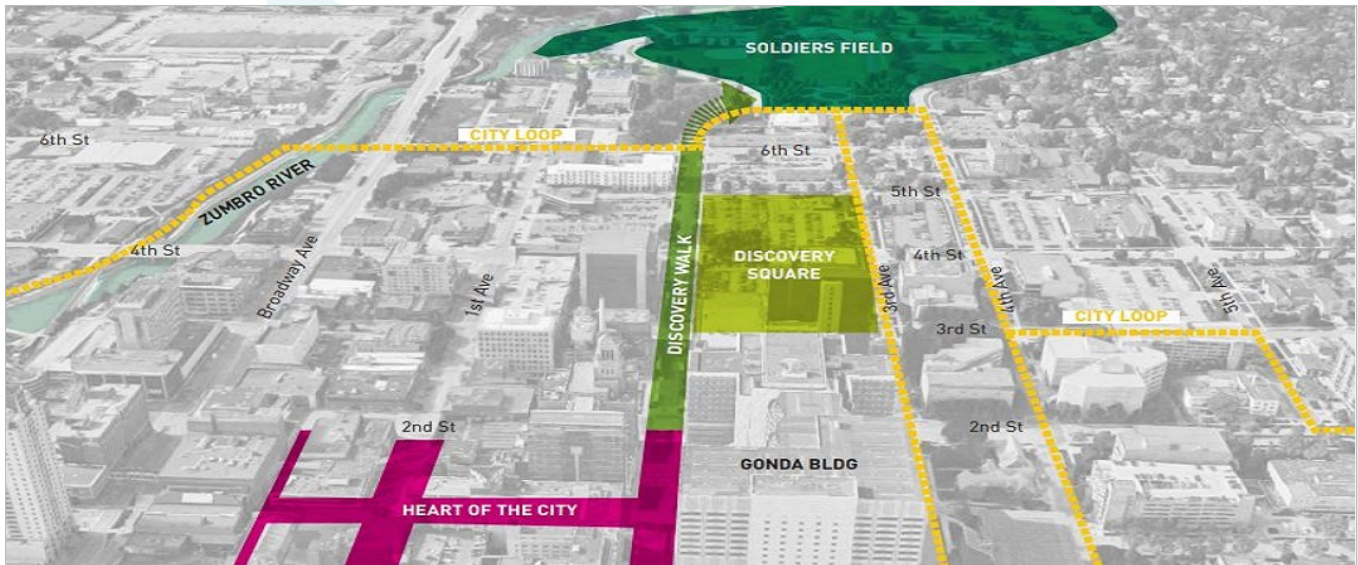
What is the estimated annual operating cost increase (Decrease) for this project (\$): 0

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: City Administration

CIP Business Unit:

Division: City Administration

Project Number:

Contact Person: Noloan L Schild

Location: Destination Medical Center

Project Category: Destination Medical Center

Department Priority: 7

Ward: NA

Project Description:

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

Purpose, Justification & Benefits:

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

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

Foundation Principles Supported:

Fiscal Responsibility & Sustainability, Public Safety, Social Equity

Strategic Priorities Supported:

Enhance Quality of Life, Manage Growth and Development

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	1,720,000	0	0	0	0	8,720,000

Project Cost Breakdown

Major Expense Category		2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
	Construction	7,000,000	1,720,000	0	0	0	0	8,720,000
Project Cost Breakdown Row Total:		7,000,000	1,720,000	0	0	0	0	8,720,000

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:

Soldiers Field Park Revitalization



Department: City Administration

CIP Business Unit: 8600

Division: City Administration

Project Number:

Contact Person: Noloan L Schild

Location: Destination Medical Center

Project Category: Destination Medical Center

Department Priority: 0

Ward: NA

Project Description:

The Soldier's field park revitalization project will complement the concepts and future vision of the Soldier's Field Park Master Plan. The project intends to include enhancements that will revitalize Soldiers Field Park. One aspect of the project is to extend the existing Discovery Walk into Soldiers Field to the Zumbro River and east down to 6th Street to Broadway. This extension 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?: Not Applicable

Foundation Principles Supported:

Public Safety, Social Equity

Strategic Priorities Supported:

Enhance Quality of Life, Manage Growth and Development

Department Funding Request:

Anticipated Funding Source	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
State DMC Funds	500,000	10,000,000	0	0	0	0	10,500,000
Federal Funds	0	5,000,000	0	0	0	0	5,000,000
Project Reserves	0	2,500,000	0	0	0	0	2,500,000
Funding Request Row Total:	500,000	17,500,000	0	0	0	0	18,000,000

Project Cost Breakdown:

Major Expense Category	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
Construction	500,000	17,000,000	0	0	0	0	17,500,000
Architect/Design	0	500,000	0	0	0	0	500,000
Project Cost Breakdown Row Total:	500,000	17,500,000	0	0	0	0	18,000,000

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:

Team will discuss funding options when an annual estimate of operating costs is available.

Riverfront Redevelopment



Department: City Administration

CIP Business Unit: 8600

Division: Destination Medical Center CIP (BU 8600)

Project Number:

Contact Person: Noloan L Schild

Location: Destination Medical Center

Project Category: Destination Medical Center

Department Priority: 0

Ward: NA

Project Description:

To physically and socially connect the community to the riverfront to become a destination and better connect our downtown trail system. This includes efforts to evolve and enhance the riverfront areas in and near the downtown area which would include connectivity to downtown, development along the riverfront as well as amenities and activities.

Purpose, Justification & Benefits:

Enhance the downtown experience for citizens, visitors and businesses by creating an inviting, exciting and accessible riverfront area.

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

Foundation Principles Supported:

Fiscal Responsibility & Sustainability, Social Equity

Strategic Priorities Supported:

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

Department Funding Request:

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

Project Cost Breakdown:

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

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

The riverfront efforts would be in alignment with both the DMC and City development plans.

Operations & Capital Asset Maintenance:

Is this request for new or existing infrastructure:

What is the expected useful life of the project/improvement (in years): 75

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

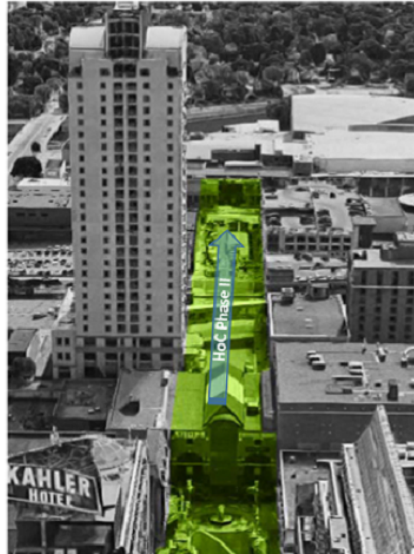
Describe how operating cost increases/Decreases and include details such as personnel costs, materials, contracts, energy savings, etc.:

Operating costs must be considered at the time the funds are being considered for investing in a related project.

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

Team will determine options for funding annual operating costs when an estimate is available during project planning and design.

Heart of the City Phase 2



Department: City Administration

CIP Business Unit: 8600

Division: Destination Medical Center CIP (BU 8600)

Project Number:

Contact Person: Noloan L Schild

Location: Destination Medical Center

Project Category: Destination Medical Center

Department Priority: 0

Ward: NA

Project Description:

Heart of the City Phase 2 (HoC Phase 2) builds off of the pedestrian experience and amenities incorporated in Heart of the City Phase 1 and continues the vision of Downtown Rochester as an easy-to-walk, pedestrian-friendly, safe, vibrant, healthy, livable city. HoC Phase 2 further enhances the intentionally connected sub-districts of the DMC Master Plan by linking existing City assets like Rochester Public Library, Mayo Field, May Civic Center, Civic Theater, and Art Center as well as significant development potential on sites like the former Post Bulletin property. This project also provides additional connectivity to the Zumbro river creating a link to a dynamic pedestrian-oriented loop from HoC Phase 1 to Discovery Walk, over to The Riverfront Reimagined parcel, and then to Heart of the City Phase 2.

Purpose, Justification & Benefits:

Consistent with the vision of DMC Masterplan this phase creates an intuitive pedestrian pathway connecting two Sub-Districts - Heart of the City & Downtown Waterfront. A component of HoC Phase 2 is to work with the private property owners to create a pedestrian arcade through the Galleria to create a unique public pedestrian experience in downtown Rochester - a place to explore, have fun and spend money in support of local businesses. HoC Phase 2 will build off the momentum of Phase 1, but with its own unique design and identity creating an opportunity for a beautiful and accessible public spine from the Gonda Building, through the Arcade, to the Civic Center, Art Center, and Riverfront.

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

Foundation Principles Supported:

Environmental Stewardship, Fiscal Responsibility & Sustainability, Public Safety, Social Equity

Strategic Priorities Supported:

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

Department Funding Request:

Anticipated Funding Source	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
State DMC Funds	0	0	1,200,000	6,000,000	4,800,000	0	12,000,000
Funding Request Row Total:	0	0	1,200,000	6,000,000	4,800,000	0	12,000,000

Project Cost Breakdown:

Major Expense Category	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
Architect/Design	0	0	1,200,000	0	0	0	1,200,000
Construction	0	0	0	6,000,000	4,800,000	0	10,800,000
Project Cost Breakdown Row Total:	0	0	1,200,000	6,000,000	4,800,000	0	12,000,000

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

The project is consistent with the DMC master plan and elements are in alignment with the comprehensive plan as well.

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.:

As project design occurs operating costs will be estimated.

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

St. Marys Place Public Realm



Department: City Administration

CIP Business Unit:

Division: City Administration

Project Number:

Contact Person: Noloan L Schild

Location: Destination Medical Center

Project Category: Destination Medical Center

Department Priority: 0

Ward: NA

Project Description:

Located on 2nd street SW, St. Marys Place establishes a civic square and monumental gateway at one of the primary entry points to Rochester. The plan incorporates a circulator that connects the St. Marys campus to the downtown. It also embraces its relationship to the surrounding neighborhoods creating a town square that connects Kutzky Park to St. Marys Park and the Historic Pill Hill neighborhood. These funds are meant to advance the schematic design set for the project that was initiated in 2016-2017 with design starting in 2023 and construction to begin in 2024.

Purpose, Justification & Benefits:

To achieve the vision and goals set forth in the Destination Medical Center (DMC) Development Plan. The DMC Development Plan included a vision of creating a signature public realm space for each sub-district. This project will be the signature public realm space for the St. Marys sub-district.

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

Foundation Principles Supported:

Fiscal Responsibility & Sustainability, Social Equity

Strategic Priorities Supported:

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

Department Funding Request:

Anticipated Funding Source	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
State DMC Funds	0	0	3,300,000	0	0	0	3,300,000
Funding Request Row Total:	0	0	3,300,000	0	0	0	3,300,000

Project Cost Breakdown:

Major Expense Category	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
Construction	0	0	3,000,000	0	0	0	3,000,000
Architect/Design	0	0	300,000	0	0	0	300,000
Project Cost Breakdown Row Total:	0	0	3,300,000	0	0	0	3,300,000

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

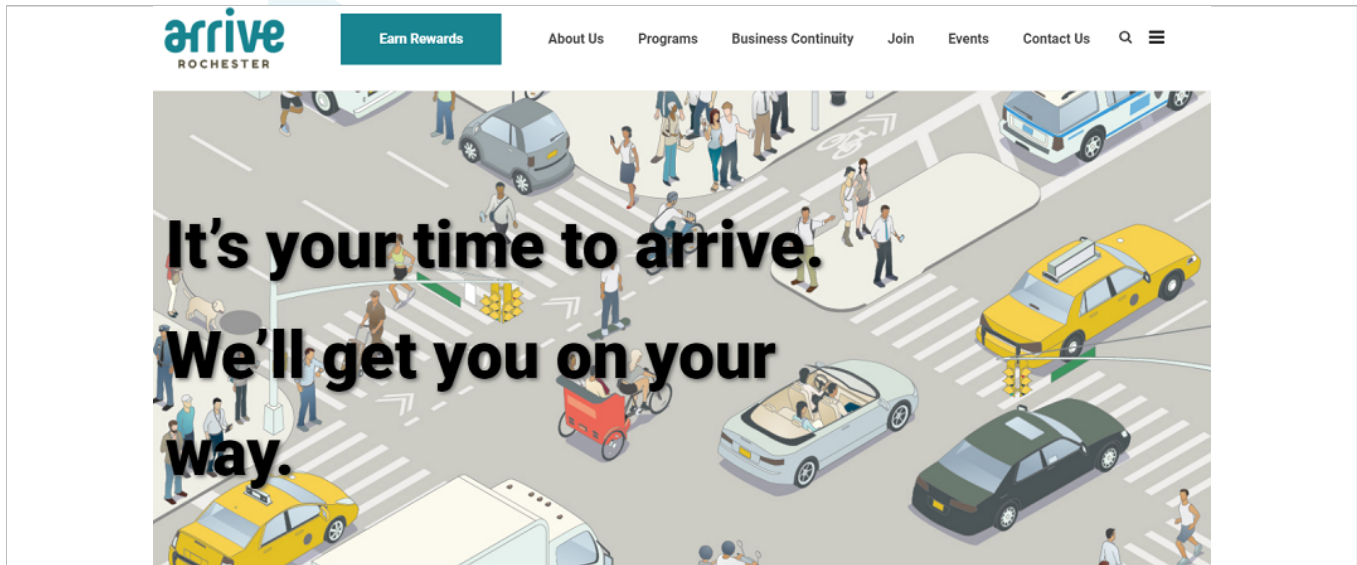
What is the estimated annual operating cost increase (Decrease) for this project (\$): 0

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

As part of the design and implementation operations and maintenance costs will be considered and the City and DMC teams will evaluate 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:

Arrive Rochester



Department: City Administration

CIP Business Unit: 8600

Division: City Administration

Project Number: 8709

Contact Person: Noloan L Schild

Location: Destination Medical Center

Project Category: Destination Medical Center

Department Priority: 0

Ward: NA

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?: Not Applicable

Foundation Principles Supported:

Environmental Stewardship, Fiscal Responsibility & Sustainability

Strategic Priorities Supported:

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

Department Funding Request:

Anticipated Funding Source	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
Sales Tax DMC	180,000	60,000	60,000	60,000	60,000	60,000	480,000
Funding Request Row Total:	180,000	60,000	60,000	60,000	60,000	60,000	480,000

Project Cost Breakdown:

Major Expense Category	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
Implementation	180,000	60,000	60,000	60,000	60,000	60,000	480,000
Project Cost Breakdown Row Total:	180,000	60,000	60,000	60,000	60,000	60,000	480,000

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:

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

Rapid Transit Implementation



2nd Street SW and 6th Avenue – View Looking East
Rochester Downtown Circulator

BRT CONCEPT

DRAFT – FOR ILLUSTRATIVE PURPOSES ONLY



JULY 2019

Department: City Administration

CIP Business Unit: 8600

Division: City Administration

Project Number: J8707

Contact Person: Noloan L Schild

Location: Destination Medical Center

Project Category: Destination Medical Center

Department Priority: 0

Ward: Ward 2, Ward 4

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?: Not Applicable

Foundation Principles Supported:

Environmental Stewardship, Fiscal Responsibility & Sustainability, Public Safety, Social Equity

Strategic Priorities Supported:

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

Department Funding Request:

Anticipated Funding Source	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
Federal Funds	0	107,000	24,700,000	60,110,000	0	0	84,917,000
State DMC Funds	4,682,340	9,092,566	0	0	0	0	13,774,906
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	0	5,129,668	5,577,854	7,422,437	4,232,337	0	22,362,296
Transit Aid County DMC	0	3,419,779	3,718,569	4,948,292	2,821,558	0	14,908,198
Funding Request Row Total:	4,682,340	17,749,013	35,121,423	72,480,729	7,053,895	0	137,087,400

Project Cost Breakdown:

Major Expense Category	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
Architect/Design	1,200,000	1,000,000	500,000	500,000	0	0	3,200,000
Project Management	100,000	250,000	500,000	500,000	100,000	0	1,450,000
Construction	3,382,340	16,499,013	34,121,423	71,480,729	6,953,895	0	132,437,400
Project Cost Breakdown Row Total:	4,682,340	17,749,013	35,121,423	72,480,729	7,053,895	0	137,087,400

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:

Annual operating costs are planned to be covered by federal funding and/or rider fees.

ITS Implementation Phase II



Department: City Administration

CIP Business Unit:

Division: Destination Medical Center CIP (BU 8600)

Project Number:

Contact Person: Noloan L Schild

Location: Destination Medical Center

Project Category: Destination Medical Center

Department Priority: 17

Ward: NA

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?: Not Applicable

Foundation Principles Supported:

Environmental Stewardship, Fiscal Responsibility & Sustainability, Public Safety, Social Equity

Strategic Priorities Supported:

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

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: City Administration

CIP Business Unit: 8600

Division: Destination Medical Center CIP (BU 8600)

Project Number: 8633

Contact Person: Noloan L Schild

Location: Destination Medical Center

Project Category: Destination Medical Center

Department Priority: 10

Ward: NA

Project Description:

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

Purpose, Justification & Benefits:

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

Foundation Principles Supported:

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

Strategic Priorities Supported:

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

Department Funding Request:

Anticipated Funding Source	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:

6th Street Bridge, 6th Street & Waterfront Connectivity



Department: City Administration

CIP Business Unit:

Division: Destination Medical Center CIP (BU 8600)

Project Number:

Contact Person: Noloan L Schild

Location: Broadway and 6th Street SE

Project Category: Destination Medical Center

Department Priority: 0

Ward: Ward 2, Ward 4

Project Description:

Construction of a 6th Street Bridge to connect East and West portions of 6th Street across the Zumbro River is a key component to realizing the vision in the approved Downtown Waterfront Small Area Plan. This project will complete the street and trail network assisting in enhanced connections between downtown Rochester, neighborhoods to the Southeast and all nearby amenities. The project will include enhanced pedestrian and biking mobility with Complete Streets and new/improved trails and provide equitable transportation access to all residents. It will also decrease vehicle miles traveled and reduce greenhouse gas emissions. The project's planned river improvements include modification of the flood control system through a combination of wide stairways, ramps and terraces to bring people to an enhanced waterfront trail and closer proximity to the river; thereby leveraging the Zumbro River as a

Purpose, Justification & Benefits:

As part of the approved 2021 Downtown Waterfront SE Small Area Plan, a series of public realm improvements were identified to create a cohesive, connected, and activated redevelopment district. These public real improvement projects not only provide access and connections to the district, they also elevate the overall experience, enhance the natural systems on a degraded site, and provide confidence that the Destination Medical Center and the City of Rochester are committed to redeveloping the site and improving adjacent neighborhoods.

What is the grant status for the project?: Submitted - Approved

Foundation Principles Supported:

Environmental Stewardship, Public Safety, Social Equity

Strategic Priorities Supported:

Enhance Quality of Life, Manage Growth and Development

Department Funding Request:

Anticipated Funding Source	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
Federal Funds	0	0	2,000,000	17,900,000	0	0	19,900,000
State DMC Funds	0	0	1,000,000	9,000,000	0	0	10,000,000
Funding Request Row Total:	0	0	3,000,000	26,900,000	0	0	29,900,000

Project Cost Breakdown:

Major Expense Category	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
Architect/Design	0	0	2,000,000	1,000,000	0	0	3,000,000
Construction	0	0	1,000,000	25,900,000	0	0	26,900,000
Project Cost Breakdown Row Total:	0	0	3,000,000	26,900,000	0	0	29,900,000

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

A pedestrian bridge connection is supported by the Rochester Downtown Mobility Plan. The project was foreseen within the DMC Development Plan. The Transit-Oriented Development (TOD) Station Area Planning Study supports the development of a 6th Street Bridge to be supportive of increased ridership onto Downtown Rapid Transit.

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 annual operating costs will need to be estimated during the design of the project and will be dependent upon different aspects of the project. The team will then be able to consider how to pay for any increases.

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

The annual operating costs will need to be estimated during the design of the project and will be dependent upon different aspects of the project. The team will then be able to consider how to pay for any increases.

3rd Ave SW Sewer Capacity Bypass



Department: City Administration

CIP Business Unit:

Division: City Administration

Project Number:

Contact Person: Noloan L Schild

Location: Destination Medical Center

Project Category: Destination Medical Center

Department Priority: 0

Ward: NA

Project Description:

This relief project diverts flows from 2nd Street SW to 4th Street SW along 3rd Avenue SW to provide added capacity to the trunk sewers to the north of 2nd Street SW. Conceptual design is complete. Formal design is planned for 2023 and construction planned for 2024.

Purpose, Justification & Benefits:

This project is driven by the need to support Destination Medical Center (DMC) growth in the downtown core. Added benefits include the removal of a sanitary siphon that is requiring additional maintenance due to the DMC growth.

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

Foundation Principles Supported:

Fiscal Responsibility & Sustainability

Strategic Priorities Supported:

Manage Growth and Development

Department Funding Request:

Anticipated Funding Source	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
State DMC Funds	0	50,000	1,500,000	0	0	0	1,550,000
Operating Transfer – From Sewer Utility	0	50,000	1,500,000	0	0	0	1,550,000
Funding Request Row Total:	0	100,000	3,000,000	0	0	0	3,100,000

Project Cost Breakdown:

Major Expense Category	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
Architect/Design	0	100,000	0	0	0	0	100,000
Construction	0	0	3,000,000	0	0	0	3,000,000
Project Cost Breakdown Row Total:	0	100,000	3,000,000	0	0	0	3,100,000

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): 100

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.:

This project replaces existing infrastructure and therefore minimally impacts operating costs. Initially, this will actually decrease maintenance costs currently being incurred on the older infrastructure.

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

NA

Destination Medical Center Corporation Expenses

DMC Corporation (DMCC)

DMC Corporation is a public board who holds authority over the DMC Development Plan & individual projects.

Economic Development Agency (DMC EDA)

The DMC EDA is a private non-profit agency responsible to implement & operate the DMC Development Plan.

Partners with:

State of Minnesota

City of Rochester

Olmsted County

Mayo Clinic

Department: City Administration

Division: City Administration

Contact Person: Noloan L Schild

Location: Destination Medical Center

Project Category: Destination Medical Center

Department Priority: 0 Ward: NA

CIP Business Unit: 8600

Project Number: 8602

Project Description:

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

Purpose, Justification & Benefits:

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

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

Foundation Principles Supported:

Fiscal Responsibility & Sustainability

Strategic Priorities Supported:

Foster a Team-Oriented Culture

Department Funding Request:

Anticipated Funding Source	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
Sales Tax DMC	247,000	232,317	238,125	244,078	250,180	256,434	1,468,134
Funding Request Row Total:	247,000	232,317	238,125	244,078	250,180	256,434	1,468,134

Project Cost Breakdown

Major Expense Category		2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
	Overhead	247,000	232,317	238,125	244,078	250,180	256,434	1,468,134
Project Cost Breakdown Row Total:		247,000	232,317	238,125	244,078	250,180	256,434	1,468,134

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 2023 is an increase from the prior year (2022).

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

Administrative Costs for Destination Medical Center Projects



Department: City Administration

CIP Business Unit: 8600

Division: City Administration

Project Number: 8601

Contact Person: Noloan L Schild

Location: Destination Medical Center

Project Category: Destination Medical Center

Department Priority: 4

Ward: NA

Project Description:

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

Purpose, Justification & Benefits:

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

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

Foundation Principles Supported:

Fiscal Responsibility & Sustainability

Strategic Priorities Supported:

Enhance Quality of Life, Manage Growth and Development

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 2023 is equal to the prior year (2022).

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

Destination Medical Center Corporation EDA Expenses

DMC Corporation (DMCC)

DMC Corporation is a public board who holds authority over the DMC Development Plan & individual projects.

Economic Development Agency (DMC EDA)

The DMC EDA is a private non-profit agency responsible to implement & operate the DMC Development Plan.

Partners with:

State of Minnesota

City of Rochester

Olmsted County

Mayo Clinic

Department: City Administration

Division: City Administration

Contact Person: Noloan L Schild

Location: Destination Medical Center

Project Category: Destination Medical Center

Department Priority: 0

Ward: NA

CIP Business Unit: 8600

Project Number: 8602

Project Description:

Contributions to the Destination Medical Center (DMC) Economic Development Agency (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 2023 work plan objectives.

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

Foundation Principles Supported:

Fiscal Responsibility & Sustainability

Strategic Priorities Supported:

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

Department Funding Request:

Anticipated Funding Source	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
Sales Tax DMC	2,190,000	2,623,528	2,689,116	2,756,344	2,825,253	2,895,884	15,980,125
Funding Request Row Total:	2,190,000	2,623,528	2,689,116	2,756,344	2,825,253	2,895,884	15,980,125

Project Cost Breakdown:

Major Expense Category		2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
	Overhead	2,190,000	2,623,528	2,689,116	2,756,344	2,825,253	2,895,884	15,980,125
Project Cost Breakdown Row Total:		2,190,000	2,623,528	2,689,116	2,756,344	2,825,253	2,895,884	15,980,125

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 (\$):

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

The amount being budgeted for in 2023 is higher than the prior year (2022) budget amount.

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

City DMC Project Management



Department: City Administration

CIP Business Unit: 8600

Division: City Administration

Project Number: 8614

Contact Person: Noloan L Schild

Location: Destination Medical Center

Project Category: Destination Medical Center

Department Priority: 0

Ward: NA

Project Description:

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

Purpose, Justification & Benefits:

Formal project management is necessary on DMC projects to help ensure various aspects of the projects that 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?: Not Applicable

Foundation Principles Supported:

Fiscal Responsibility & Sustainability

Strategic Priorities Supported:

Foster a Team-Oriented Culture, Manage Growth and Development

Department Funding Request

Anticipated Funding Source	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
Sales Tax DMC	738,616	995,277	1,020,159	1,045,663	1,071,804	1,098,600	5,970,119
Funding Request Row Total:	738,616	995,277	1,020,159	1,045,663	1,071,804	1,098,600	5,970,119

Project Cost Breakdown:

Major Expense Category	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
Project Management	738,616	995,277	1,020,159	1,045,663	1,071,804	1,098,600	5,970,119
Project Cost Breakdown Row Total:	738,616	995,277	1,020,159	1,045,663	1,071,804	1,098,600	5,970,119

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 (\$):

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

The amount being budgeted for 2023 is an increase from the prior year (2022).

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

Destination Medical Center Development Plan Update



DEVELOPMENT PLAN - VOL. I

DESTINATION MEDICAL CENTER
ROCHESTER, MINNESOTA
VOLUME I - EXECUTIVE SUMMARY AND PHASE I STRATEGIES
APRIL 23, 2015

Department: City Administration

CIP Business Unit: 8600

Division: Destination Medical Center CIP (BU 8600)

Project Number:

Contact Person: Noloan L Schild

Location: Destination Medical Center

Project Category: Destination Medical Center

Department Priority: 0

Ward: NA

Project Description:

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

Purpose, Justification & Benefits:

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

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

Foundation Principles Supported:

Environmental Stewardship, Fiscal Responsibility & Sustainability, Social Equity

Strategic Priorities Supported:

Enhance Quality of Life, Manage Growth and Development

Department Funding Request:

Anticipated Funding Source	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
State DMC Funds	0	0	250,000	250,000	0	0	500,000
Funding Request Row Total:	0	0	250,000	250,000	0	0	500,000

Project Cost Breakdown:

Major Expense Category	2022	2023	2024	2025	2026	2027	Total Current 6 Yrs
Consulting or Study	0	0	250,000	250,000	0	0	500,000
Project Cost Breakdown Row Total:	0	0	250,000	250,000	0	0	500,000

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

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

Operations & Capital Asset Maintenance:

Is this request for new or existing infrastructure: Existing

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

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

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

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

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

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	

Map #	Project Description	Proj #	Total Budget	2021 CIP Bdgt Amts	2002-2021 CIP Bdgt Amts	2022	Priority	2023	Priority	2024	Priority	2025	Priority	2026	Priority	2027	Priority
Operations																	
1	Contributions to DMC Corporation for DMCC expenses	8602	5,297,065	268,750 sd	3,722,065 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	18,209,499 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	8,913,019	696,215 sd	2,606,739 sd 250,000 c 562,500 to 212,500 ow 212,500 os 112,500 wu	738,616 sd	725,277 140,000 130,000	995,277 sd	Construction Manager Active Transportation Coordinator	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	1,200,000 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		750,000 sm					250,000 sm		250,000 sm					
						3,275,616		3,593,027		3,685,878		3,768,799		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	500,000 p 6,630,462 sd 3,296,340 sm	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	4,800,000 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	200,000 sd 10,000,000 sm	7,000,000 sm		1,720,000 sm									
9	Discovery Walk Phase 2 - Soldiers Field Park		18,000,000			500,000 sm		10,000,000 sm 5,000,000 f 2,500,000 r	How do we show park & rec accelerated investment here?								
10	Riverfront Redevelopment	8634	2,000,000	1,000,000 sm	1,000,000 sm			1,000,000 sm		- sm							
11	Heart of the City	8625	19,871,265	6,000,000 sm	697,465 sd 18,573,800 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					-		3,300,000 sm							
						9,650,000		22,420,000		5,800,000		6,100,000		4,900,000		100,000	

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	

Map #	Project Description	Proj #	Total Budget	2021 CIP Bdgt Amts	2002-2021 CIP Bdgt Amts	2022	Priority	2023	Priority	2024	Priority	2025	Priority	2026	Priority	2027	Priority
Strategic Redevelopment																	
14	Strategic Redevelopment	8633	25,000,000	7,000,000 sm	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																	
16	Block 6 Ramp - Roadway improvements, utility replacements, upgrades and relocations for water and electric. Project reserves will be transferred from J2200.		1,578,000			789,000	sm										
						118,000	os										
						223,000	ow										
						206,000	wu										
						242,000	r										
6th Street Bridge, 6th Street & Waterfront Connectivity						29,900,000		1,000,000	sm	9,000,000	sm						
								2,000,000	f	17,900,000	f						
17	Construct sanitary sewer capacity bypass on 3rd Ave SW from 2nd St SW to 4th St SW		3,100,000					50,000	ow	1,500,000	ow						
								50,000	sm	1,500,000	sm						
18	South Broadway Reconstruct from 4th St SW to 9th St SW		21,000,000									1,000,000	sm	15,000,000	sm		
														5,000,000	r		
19	Downtown Sidewalk Experience Enhancement (ADA Improvements, Increase Public Realm Space & Aesthetic Integration). Tax abatement project reserves will be used for a portion of this project.		2,950,000	848,375 sm 50,000 r	848,375 sm 50,000 r	2,051,625	sm										
Mobility																	
21	Arrive Rochester Implementation	8709	1,050,000	60,000 sd	570,000 sd	180,000	sd	60,000	sd	60,000	sd	60,000	sd	60,000	sd	60,000	sd
22	ITS Implementation: Rapid Transit (Includes 2nd Street Recon & Streetscape)	8707	143,373,368	- tc - ts 4,320,434 sm - f	- tc - ts 6,285,968 sm - f	- tc - ts 4,682,340 sm		3,419,779 tc 5,129,668 ts 9,092,566 sm 107,000 f		3,718,569 tc 5,577,854 ts - sm 24,700,000 f 150,000 wu 225,000 ow 750,000 a		4,948,292 tc 7,422,437 ts - sm 60,110,000 f		2,821,558 tc 4,232,337 ts - sm f			
Total project cost is \$143,373,368																	
23	ITS Study Repayment		8,000,000	1,600,000 sd	4,800,000 sd	1,600,000	sd	1,600,000	sd								
24	ITS Implementation Phase II		9,000,000			200,000	sd	300,000	sd					400,000 tc 600,000 ts		3,000,000 tc 4,500,000 ts	
						6,662,340		19,709,013		35,181,423		72,540,729		8,113,895		7,560,000	

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	Proi #	Total Budget	2021 CIP Bdgt Amts	2022-2021 CIP Bdgt Amts	2022	Priority	2023	Priority	2024	Priority	2025	Priority	2026	Priority	2027	Priority
	Total Cost		389,078,158	32,479,550	93,090,713	24,402,769		50,272,040		62,617,301		85,909,528		29,618,539		14,352,456	
	Sources of Funds																
	Special Assessment Bonds	a	750,000							750,000							
	Olmsted County	c	250,000		250,000												
	Federal	f	109,817,000					7,107,000		42,600,000		60,110,000					
	Operating Transfer - fr Storm Water Utility	os	330,500		212,500	118,000											
	Operating Transfer - fr Sewer Utility	ow	2,210,500		212,500	223,000		50,000		1,725,000							
	Private Funds	p	500,000		500,000												
	Project reserves	r	7,792,000		50,000	242,000		2,500,000						5,000,000			
	Sales Tax DMC	sd	72,336,650		43,436,230	6,455,616		6,753,027		4,695,878		3,578,799		3,664,644		3,752,456	
	State DMC Funds	sm	148,290,014		47,754,483	18,972,965		26,862,566		18,350,000		10,350,000		22,900,000		3,100,000	
	Transit Aid County DMC	tc	18,308,198					3,419,779		3,718,569		4,948,292		3,221,558		3,000,000	
	Transit Aid State DMC	ts	27,462,296					5,129,668		5,577,854		7,422,437		4,832,337		4,500,000	
	Operating Transfer - Other Funds	to	562,500		562,500												
	Water Utility	wu	468,500		112,500	206,000				150,000							
	Total Sources of Funds		389,078,158		93,090,713	26,217,581		51,822,040		77,567,301		86,409,528		39,618,539		14,352,456	
	Unfunded Projects		-	-	-	-		-		-		-		-		-	
	Total of NEW FUNDING requests					24,402,769		50,272,040		62,617,301		85,909,528		29,618,539		14,352,456	
	Total adjustments to prior years' funding authorizations					-		-		-		-		-		-	
	Total Cost					24,402,769		50,272,040		62,617,301		85,909,528		29,618,539		14,352,456	
			-	-		(1,814,813)		(1,550,000)		(14,950,000)		(500,000)		(10,000,000)		-	

Active Transportation Projects:

Wayfinding
Sidewalk Replacement
Neighborhood Connectivity to Transit
Active Transportation Center/Downtown Bathrooms/walkers, riders, bikers
North Broadway Park and Ride
Heart of the City Phase 3 - Gonda Building & Peace Plaza
Life Science Infrastructure (shared wet lab, maker space, sim lab)
Art Activation (public); Murals, BRT, alleys
Smart City Technology Items
EV Charging Stations

Budgets:

\$ 500,000 sm
\$ 6,000,000
\$ 2,000,000 sm



DMC

Destination Medical Center

**Destination Medical Center Economic Development Agency
&
City of Rochester DMC Project Management Team**

2023 Workplan

Table of Contents

1. EXECUTIVE SUMMARY
2. CITY OF ROCHESTER DMC PROJECT MANAGEMENT RESPONSIBILITIES
3. DMC EDA STATUTORY ROLE AND RESPONSIBILITIES
4. DMC CAPITAL AND OPERATING BUDGET PRINCIPLES
5. 2023 WORKPLAN OUTCOMES
6. 2023 DMC EDA AND PROJECT MANAGEMENT TEAM BUDGETS

1. Executive Summary

In 2023, 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

2023 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 and recruitment, marketing/awareness, sustainability, workforce development, health and equity in economic development, experience, and community engagement initiatives into the workplan in order to support these 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) Link rapid transit development
- d) Subdistrict public project construction management, including Heart of the City, Riverfront 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) **Enable Opportunity**
New jobs, new investment, and tax base growth are a good thing.
- b) **Be Extraordinary**
Make investments befitting a global destination medical center, the state's largest-ever economic development partnership, and an increasingly diverse community.
- c) **Incorporate Innovation**
Encourage projects to make use of new materials, new technologies, etc.
- d) **Be Sustainable**
Always consider the financial, environmental, social, and other long-term effects of proposed capital projects.
- e) **Fulfill The Vision**
Sustain Rochester and Mayo Clinic as a destination medical center and "economic engine" that benefits the residents of Rochester, Olmsted County, and Minnesota.

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) Achieve DMC Goals and 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. 2023 Workplan Outcomes

The DMC workplan is primarily organized around five 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	2023 Outcome
Create 35,000-45,000 new jobs	Reduce drive-alone mode share from 71% to 58%	Metrics: Establish a baseline for workforce mode share and methodology for tracking progress
Achieve the highest quality patient, visitor, and community member experience		LINK Rapid Transit: Advance transit village and station development; meet state and federal approval milestones; advance planning for integration into existing City and Mayo Clinic transit networks
		Mode shift: Develop an active commuter plan and enact programs to expand alternative commuting

PUBLIC REALM

2035 Goal	Phase 2 (2025) Goal	2023 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: Post-occupancy analysis, continuation of inaugural year strategy
		Chateau Theatre: Develop and execute Activation Strategy and ongoing capital maintenance
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	Discovery Walk: Implement Business Forward and community engagement strategies, activate newly opened Discovery Walk
		Discovery Walk: Complete first phase (300-200 blocks)
		Discovery Walk: Programming, operations and management plan developed and implemented
	Public Realm concepts developed for all DMC sub-districts	Rapid Transit: Develop community-supported station area public realm concepts and neighborhood connections
		West Transit Village: Support for development partner and establish stakeholder-supported vision
		Education/Recreation: Participate in planning process to establish vision for sub-district public realm (Soldiers Field) Downtown Riverfront: Develop community-supported public realm concept

PLAN IMPLEMENTATION: MARKETING AND BUSINESS DEVELOPMENT

2035 Goal	Phase 2 (2025) Goal	2023 Outcome
Attract more than \$5 billion in private investment	More than \$1 billion of new private development underway	Awareness Building (In-market): Grow relationships with key in-market partners at Mayo Clinic and DEED.
		Awareness Building (Site Selection): Attend, exhibit, present, and network with key Site Selection, Real Estate, and Incentive Consultants from around the world. Present Rochester and DMC as a preferred business destination at least 1x per quarter.
Create 35,000-45,000 new jobs	Develop 330,000 SF of Bio-Med-Tech space	Awareness Building (Industry): Attend, exhibit, present, and network with key decision makers from targeted life science businesses around the world. Present Rochester and DMC as a preferred business destination at least 1x per month.
		Lead Generation: Generate a minimum of 150 direct leads through targeted outreach efforts.
		Awareness Building (Digital): Develop, and execute, a LinkedIn Ads campaign focused on high growth companies in the regenerative medicine and advanced diagnostics industries. Drive qualified traffic to www.dmc.mn. Average 2 leads per month. Awareness Building (Digital): Launch a website housed within www.dmc.mn that includes information on business development in the DMC district, out-of-market job creators and investors, site selection professionals, and targeted industry research.

TRANSFORMATIVE PRIVATE DEVELOPMENT

2035 Goal	Phase 2 (2025) Goal	2023 Outcome
Attract more than \$5 billion in private investment	Develop 330,000 SF of Bio-Med-Tech space	Discovery Square: Three Discovery Square construction underway
		Discovery Square: Advance workforce development Simulation Lab plan and funding strategy
		Discovery Square: Advance multi-purpose Maker Space plan and funding strategy
		Discovery Square: Advance multi-purpose Shared Lab space plan and funding strategy
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	Small-capital projects: Develop plan to provide funds for strategic investment in small capital projects, for launch in 2023
		Pre-development Site Activation: Interim use of one pre-development site
		Retail: Support community partner(s) in launching retail incubator if deemed feasible

PLAN IMPLEMENTATION: ENERGY AND SUSTAINABILITY

2035 Goal	Phase 2 (2025) Goal	2023 Outcome
Attract more than \$5 billion in private investment Achieve the highest quality patient, visitor, and community member experience	Reduce the emissions associated with the new construction and existing buildings sector	Metrics: Benchmarking program includes 153 buildings, including buildings in DMC district
		Community Engagement: Develop a sustainability and co-design business plan for local or national markets as appropriate
		Best Practices: Engage in at least 2 national conferences, and 10 local and regional meetings
		Metrics: Develop an accurate Air Quality visualization platform downtown for community understanding.
	Progress toward DMC and Rochester GHG, energy and sustainability goals across sectors	Energy Reduction: Complete 9 projects identified in Phase 1 of Strategic Energy Project Plan and begin work on Phase 2 projects
		Emissions Reduction: Begin Implementation of Sustainability and Resiliency Task Force (SRTF) plan
		Emissions Reduction: Reduce emissions from transit sector

PLAN IMPLEMENTATION: HEALTH AND EQUITY IN ECONOMIC DEVELOPMENT

2035 Goal	Phase 2 (2025) Goal	2023 Outcome
Achieve the highest quality patient, visitor, and community member experience	Apply health in design process to 10 infrastructure projects	Community Engagement: Convene 6 meetings the Equity Alliance, offer 6 equity series
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: Build a co-design understanding across the community, train 18 facilitators, and local leadership on its elements.
		Equitable Economic Development: Co-host 2 events in Rochester that would support BIPOC businesses in the DMC district.
		Equitable Economic Development: Create a plan for a program to recruit emerging and established housing developers to Rochester
		Equitable Economic Development: Create a plan for a program to assist emerging and Black, Indigenous, and People of Color (BIPOC) developers in Rochester
		Health in Economic Development: Establish a baseline measure of the effects on health resulting from the implementation of the DMC Development Plan

PLAN IMPLEMENTATION: TARGETED BUSINESS AND WORKFORCE DEVELOPMENT

2035 Goal	Phase 2 (2025) Goal	2023 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 Prevailing Wage and Workforce Utilization on DMC Projects
		Targeted Business and Workforce Participation: Create a plan to improve workforce opportunities within DMC district to reach targeted business and workforce participation goals & diversify workforce and business participation.
		Targeted Business and Workforce Utilization: Improve Targeted Business contracting performance results
		Targeted Business and Workforce Utilization: Improve Workforce participation (Women and People of Color) performance results

PLAN IMPLEMENTATION: COMMUNITY ENGAGEMENT

2035 Goal	Phase 2 (2025) Goal	2023 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	Targeted Marketing: Increase local awareness of DMC projects and initiatives
		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	2023 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. 2023 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 2023 DMC EDA funding request to the Destination Medical Center Corporation of \$2,623,528. The proposed budget includes new investments in DMC's business recruitment and lead generation strategies.
- 2023 DMC EDA funding contributed by Mayo Clinic towards the operational, project, and program expenses of the DMC EDA totals \$1,411,390.
- The 2023 DMC City of Rochester Project Management team funding request to the Destination Medical Center Corporation is \$995,277. The proposed budget includes a new transportation management coordinator and a construction manager.
- DMC-funded costs noted above are accounted for in the 2023 Capital Plan.

2023 DMC EDA Budget

	2022 DMC Funding	2023 DMC Funding	YOY DMC Funding Change (%)	2022 Mayo Clinic Funding	2023 Mayo Clinic Funding	YOY Mayo Clinic Funding Change (%)
Staff Costs						
1 Payroll	\$1,054,940	\$1,088,746		\$500,000	\$500,000	
2 Benefits	\$191,865	\$185,026				
3 Payroll Expenses	\$7,000	\$7,000				
4 Transit Subsidy	\$8,400	\$8,400				
5 Reimbursements						
SUBTOTAL	\$1,262,205	\$1,289,172	2.1%	\$500,000	\$500,000	0.0%
Operating Costs						
6 Rent and Utilities	\$1,236	\$1,236		\$140,000	\$140,000	
7 Equipment Rentals and Furniture						
8 Office Supplies and Consumables	\$14,000	\$10,000				
9 Room Rental						
10 Postage and Shipping	\$1,500	\$1,500				
11 Website Drafting and Hosting	\$19,200	\$19,200				
12 IT Hardware, Software, and Support	\$41,335	\$35,173				
13 Miscellaneous Costs	\$2,880	\$3,865		\$15,000	\$14,015	
SUBTOTAL	\$80,151	\$70,974	-11.4%	\$155,000	\$154,015	-0.6%
Economic Development						
14 Print and Collateral				\$40,000	\$60,000	
15 Outreach and Local Events	\$1,500	\$30,000		\$70,000	\$46,000	
16 Subscriptions and Memberships	\$11,063	\$8,052			\$420	
17 Conferences, Meetings, Travel, and Participation	\$13,000	\$139,320		\$26,000	\$20,955	
18 Economic Development Programming	\$186,200	\$514,100		\$528,390	\$257,000	
SUBTOTAL	\$211,763	\$691,472	226.5%	\$664,390	\$384,375	-42.1%
Professional Services						
19 Legal	\$40,000	\$40,000				
20 Website Management and CRM	\$12,600	\$14,000		\$20,000	\$165,000	
21 Marketing, Communications, and Advertising	\$447,500	\$385,000			\$55,000	
22 Strategic Public Relations				\$62,000	\$62,000	
23 Contracted Support Staff	\$25,000			\$10,000	\$91,000	
24 Financial Reporting Services	\$58,410	\$78,410				
SUBTOTAL	\$583,510	\$517,410	-11.3%	\$92,000	\$373,000	305.4%
Miscellaneous Costs						
25 Insurance and Taxes	\$52,000	\$54,500				
26 Contingency						
SUBTOTAL	\$52,000	\$54,500	4.8%			
TOTAL	\$2,189,629	\$2,623,528	19.8%	\$1,411,390	\$1,411,390	0.0%

2023 DESTINATION MEDICAL CENTER CITY OF ROCHESTER PROJECT MANAGEMENT BUDGET				
		2022 DMC Funding	2023 DMC Funding	YOY DMC Funding Change (%)
Staff Costs				
1	Employee Services	\$ 772,059	\$ 995,277	28.9%
	<u>Subtotal</u>	\$ 772,059	\$ 995,277	28.9%
Operational Costs				
2	Rents and Leases	\$ 2,500	\$ 2,500	
3	Adv, Publishing, & Printing	\$ 7,625	\$ 7,778	
4	Contractual Mtce & Repair	\$ 38,000	\$ 38,760	
5	Expert and Professional Services	\$ 8,000	\$ 8,160	
6	Communications	\$ 1,880	\$ 612	
7	Travel/Training/Business Mea	\$ 6,650	\$ 8,237	
8	Subscriptions/Bks/Membership	\$ 5,075	\$ 5,177	
9	Office Supplies	\$ 2,100	\$ 2,100	
10	Other Charges	\$ 14,727	\$ 11,568	-21.5%
11	Miscellaneous			
12	Professional Development			
13	Office			
14	Information Technology			
	<u>Subtotal</u>	\$ 86,557	\$ 84,892	
	TOTAL	\$ 858,616	\$ 1,080,169	25.8%

DMCC Corporation
2023 Budget Worksheet

Account Description	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2020 Actual	2021 Budget	2021 Actual	2022 Budget	2022 Actual 7/31	Proposed 2023 Budget
DMC Corporation											
Revenues	-2,288,340	-2,471,264	(2,581,654)	1,161,491							
Interest Earned		6	(14)	6							
Building Rent	18,907	32,558	24,050	34,017	35,000	8,190	36,750	2,546	38,588	14,118	34,017
Rents and Leases	18,907	32,558	24,050	34,017	35,000	8,190	36,750	2,546	38,588	14,118	34,017
Audit Services	3,000	2,897	3,000	3,150	3,500	3,300	4,000	4,500	4,500	4,550	4,600
Legal Consultants	217,195	172,584	160,503	146,785	200,000	148,749	180,000	132,323	160,000	49,581 (1)	150,000
Accounting Consultants	1,000	1,800	1,050	1,100	2,000	1,150	2,000	1,300	2,600	-	2,700
Other Expert & Professnl Srvc	17,333	11,145	7,994	10,418	20,000	7,865	20,000	15,771	15,000	1,836	15,000
Expert & Professional Services	238,528	188,426	172,547	161,452	225,500	161,064	206,000	153,894	182,100	55,967	172,300
Travel and training	538	0	272	322	5,000	153	5,000	146	5,000	164	5,000
Business meal expenses	35	0	0		1,000	-	1,000	-	1,000		1,000
Travel/Training/Business Meals	573	0	272	322	6,000	153	6,000	146	6,000	164	6,000
Comprehensive Liability Ins	15,303	16,136	14,171	13,607	20,000	14,055	20,000	13,596	20,000	11,969	20,000 (2)
Insurance - Misc others											
Insurance and Bonds	15,303	16,136	14,171	13,607	20,000	14,055	20,000	13,596	20,000	11,969	20,000
Contractual Services											
Contractual Services											
Professional & Contracted Srvc	273,311	237,120	211,040	209,398	286,500	183,462	268,750	170,182	246,688	74,224	232,317
Other Supplies											
Supplies											
Materials and Supplies			0	-							
Interest	13	19	27	20		5		9		14	
Other Charges	25	25	25	25		25		25			
Other Charges	38	44	52	45	-	30	0	34	0	14	0
Expenditures	273,349	237,164	211,093	209,443	286,500	183,493	268,750	170,216	246,688	82,231	232,317
Other Financing Uses											
DMC EDA Corporation - Net Revs - Exps	-2,014,991	2,234,105	2,370,576	1,052,444	2,570,147	2,129,448	2,235,776	1,883,356	2,190,000	962,324	
City Support:											
City DMCC Project Management					660,524	402,178	696,215	593,285	738,646	295,138	
DMCC Administrative Support by City					150,000		100,000	18,887	100,000	21,375	
Keep It Local Grants - COVID-19 Response					51,078	51,078	0				
Total DMCC & EDA Expenditures		2,471,269	2,581,669	1,261,887	3,718,249	2,766,197	3,300,741	2,665,744	3,275,334	1,361,067	232,317

(1) This amount reflects fees from January - May 2022. Fees due or unbilled through July 31, 2022 total an additional \$15,736.69.

(2) Although 2023 liability insurance premiums decreased to \$9,810, the 2024 premiums, which are unknown, are due in September 2023.

DESTINATION MEDICAL CENTER CORPORATION

RESOLUTION NO. ____-2022

**Approving the 2023 DMCC Funding Request and the Extension of Working Capital Loan
and Authorizing Transmittal to the City of Rochester**

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 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 2023 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 2023, requesting that the Loan Documents be extended for 2023 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 2023 are attached as Exhibit A.

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED, by the Destination Medical Center Board of Directors that the 2023 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 2023, and the DMCC Request for Extension of the Working Capital Loan for 2023, 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 2023 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 2023 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.

1421508.DOCX

DRAFT Amendment to Resolution C: Approving the 2023 DMCC Funding Request

In the first “Now, therefore, be it resolved” paragraph to add a new number (2) that reads:

(2) for the Soldiers Field Memorial Park project, recognizing that community planning efforts are at a preliminary stage and will shape the project scope and funding needs, further detail and information as to public realm plans and proposed funding shall be presented to the DMCC for specific approval of the project plan and costs; and (3) . . .

As amended, the paragraph would read:

NOW, THEREFORE, BE IT RESOLVED, by the Destination Medical Center Board of Directors that the 2023 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; (2) for the Soldiers Field Memorial Park project, recognizing that community planning efforts are at a preliminary stage and will shape the project scope and funding needs, further detail and information as to public realm plans and proposed funding shall be presented to the DMCC for specific approval of the project plan and costs; and (3) staff is directed to provide an annual reconciliation of budget amounts and expenditures for each of the capital projects.

EXHIBIT A

DMCC REQUEST FOR EXTENSION OF WORKING CAPITAL LOAN FOR 2023

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, 2022 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 2023.
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: _____, 2022

Authorized DMCC Representative

ATTACHMENT 1: RECONCILIATION OF DMCC TRANCHE ADVANCES

Through July 31, 2022

ATTACHMENT 1

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	2021												
DMCC Bank Account	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
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	1,025.00	2,092.05	
DMCC Bank Charges	103.73	100.89	100.38	103.27	105.25	101.64	107.35	102.20	104.41	102.97	102.33	105.37	
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	99,827.54	81,252.89	185,546.12	275,718.98	107,463.28	
Actual Funded	67,272.10	202,359.66	255,335.24	115,366.71	138,638.24	242,619.38	83,947.07	101,529.74	81,357.30	185,674.09	294,171.36	109,986.65	
Checks				1,300.00		4,500.00		1,600.00			17,283.00	1,092.05	
Difference	103.73	-	131,577.53	(131,272.99)	105.25	40,536.36	(40,327.37)	102.20	104.41	127.97	1,169.38	1,431.32	
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	1,025.00	2,092.05	3,418.00	
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	1,025.00	2,092.05	3,418.00	
	1,000.00	899.11	131,376.26	1,000.00	1,000.00	40,434.72	1,000.00	1,000.00	1,000.00	1,025.00	2,092.05	3,418.00	ending bank balance
	0.00	0.00	1,000.00	0.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	0.00	

	2022											
DMCC Bank Account	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Beginning Bank Balance	3,418.00	895.04	898.36	1,000.00	1,000.00	4,000.00	3,875.14	7,125.40	7,125.40	7,125.40	7,125.40	7,125.40
DMCC Bank Charges	104.96	101.64	99.22	106.95	101.59	101.30	105.98					
Adjustments - bank fees returned												
Adjustments - change in amount												
Interest Earnings						0.31	1.75					
EDA Funding Requested	182,223.73	137,024.29	270,117.73	100,925.97	113,020.45	169,491.52	220,595.40					
Actual Funded	179,805.73	137,129.25	270,318.59	101,032.92	116,122.04	172,631.44	226,824.89					
Checks						3,163.79	2,875.00					
Difference	(2,418.00)	104.96	200.86	106.95	3,101.59	(23.87)	3,354.49	-	-	-	-	-
Ending Bank Balance	895.04	898.36	1,000.00	1,000.00	4,000.00	3,875.14	7,125.40	7,125.40	7,125.40	7,125.40	7,125.40	7,125.40
Reconciling Items												
Interest	-	-	-	-	-	-	-	-	-	-	-	-
Bank Fees	-	-	-	-	-	-	-	-	-	-	-	-
Net	895.04	898.36	1,000.00	1,000.00	4,000.00	3,875.14	7,125.40	7,125.40	7,125.40	7,125.40	7,125.40	7,125.40
	895.04	898.36	1,000.00	1,000.00	4,000.00	3,875.14	7,125.40					
	0.00	0.00	0.00	(0.00)	(0.00)	(0.00)	(0.00)	7,125.40	7,125.40	7,125.40	7,125.40	7,125.40

**ATTACHMENT 2: EDA REQUEST FOR EXTENSION OF THE
WORKING CAPITAL LOAN FOR 2023**

ATTACHMENT 2

DESTINATION MEDICAL CENTER ECONOMIC DEVELOPMENT AGENCY

Approving the 2023 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 2023 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 2023 EDA Funding Request and the EDA Request for Extension of the Working Capital Loan for 2023, are approved.



Clark Otley, M.D.
President

Dated: September 1, 2022

**EDA REQUEST FOR EXTENSION OF WORKING CAPITAL LOAN
FOR 2023**

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, 2022 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, 2023, 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 1, 2022

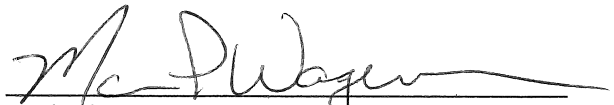

Authorized EDA Representative

EXHIBIT A: RECONCILIATION OF EDA ADVANCES

Through July 31, 2022

DMC EDA

Operating Account

Reconciliation of Bank Balance to Advance Total

Bank Balance Date: 8/31/2021

Balance per Bank: \$ 27,132.18

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
Receivable	\$	1,184.11	City - payroll 8/5
Payroll 8/19	\$	75.00	
	\$	245.76	
	\$	6,242.15	
	\$	16,047.26	
	\$	2,599.03	\$ 25,209.20
Mitel	\$	518.79	8/20/2021
BlueCross BlueShield	\$	3,640.35	8/23/2021

Less:

Advance for expenses not cleared:

Misc CCC	\$	(155.82)	remaining credit card credit
CCC	\$	900.00	8/20/2021
CCC	\$	14.00	8/23/2021
CCC	\$	197.37	8/30/2021
Outstanding check			

Advance Total reconciled \$ 75,000.00

DMC EDA
Operating Account
Reconciliation of Bank Balance to Advance Total
Bank Balance Date: 9/30/2021

Balance per Bank: \$ 29,067.06

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
Receivable	\$	1,184.11	City - payroll 8/5
Receivable	\$	1,162.58	City - payroll 8/20
Receivable	\$	1,184.11	City - payroll 9/3
Receivable	\$	1,173.32	City - payroll 9/17
Payroll 10/1	\$	245.76	
	\$	600.00	
	\$	6,622.57	
	\$	15,717.50	
	\$	23,185.83	
Mitel	\$	518.79	9/21/2021
BlueCross BlueShield	\$	4,047.55	9/21/2021

Less:

Advance for expenses not cleared:

Misc CCC	\$	(155.82)	remaining credit card credit
CCC			
CCC			
To request:	\$	(369.88)	8/20 PR Credit
Transfer	\$	(2,125.00)	for McKnight checks
Outstanding check	\$	(232.47)	9/1 Arnold's invoice

Advance Total reconciled \$ 75,000.00

DMC EDA
Operating Account
Reconciliation of Bank Balance to Advance Total
Bank Balance Date: 10/31/2021

Balance per Bank: \$ 44,606.66

Add:

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

Receivable	\$	1,229.85	City - payroll 10/1
Minnesota Trade	\$	3,000.00	
Aon Insurance	\$	123.00	
Check	\$	259.50	
Check	\$	66.36	
Payroll 10/15	\$	75.00	
	\$	245.76	
	\$	6,470.96	
	\$	15,384.32	
	\$	2,646.30	\$ 24,822.34
Payroll 10/29	\$	75.00	
	\$	245.76	
	\$	10,052.02	
	\$	21,877.56	\$ 32,250.34
Mitel	\$	519.79	10/20/2021
BlueCross BlueShield	\$	3,843.95	10/21/2021

Less:

Advance for expenses not cleared:

Misc CCC	\$	(155.82)	remaining credit card credit
CCC	\$	40.00	10/25/2021
CCC	\$	3,763.91	10/27/2021
To request:	\$	(369.88)	8/20 PR Credit
	\$	(40,000.00)	cash flow
	\$	1,000.00	check 5444

Advance Total reconciled \$ 75,000.00

DMC EDA
Operating Account
Reconciliation of Bank Balance to Advance Total
Bank Balance Date: 11/30/2021

Balance per Bank: \$ 20,687.01

Add:

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

Receivable	\$	1,229.85	City - payroll 10/1
Receivable	\$	1,173.32	City - payroll 10/15
Receivable	\$	1,067.32	City - payroll 10/29
Receivable	\$	1,194.85	City - payroll 11/14
Payroll 11/25	\$	75.00	
	\$	245.76	
	\$	10,674.76	
	\$	24,269.07	
	\$	2,261.69	\$ 37,526.28
Amazon	\$	36.74	11/15/2021
Amazon	\$	5.93	11/15/2021
Mitel	\$	519.79	11/23/2021
BlueCross BlueShield	\$	11,114.54	11/23/2021

Less:

Advance for expenses not cleared:

Misc CCC	\$	(155.82)	remaining credit card credit
CCC			
Uncleared check	\$	(50.81)	check 5445
Uncleared check	\$	(349.00)	check 5450
To request:	\$	1,000.00	check 5444

Advance Total reconciled \$ 75,000.00

DMC EDA
Operating Account
Reconciliation of Bank Balance to Advance Total
Bank Balance Date: 12/31/2021

Balance per Bank: \$ 73,017.91

Add:

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

Payroll 12/24	\$	221.15	
	\$	245.76	
	\$	12,610.01	
	\$	26,542.26	
	\$	3,803.99	
	\$	(1,173.31)	\$ 42,249.86
Amazon	\$	19.02	12/14/2021
Mitel	\$	519.79	12/23/2021
BlueCross BlueShield	\$	8,468.16	12/21/2021

Less:

Advance for expenses not cleared:

Misc CCC	\$	(155.82)	remaining credit card credit
Cash Flow	\$	(50,000.00)	
Uncleared check	\$	(118.92)	Geno P check
To request:	\$	1,000.00	check 5444

Advance Total reconciled \$ 75,000.00

DMC EDA
Operating Account
Reconciliation of Bank Balance to Advance Total
Bank Balance Date: 1/31/2022

Balance per Bank: \$ 41,321.16

Add:

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

Receivable			
Receivable	\$	1,380.10	Payroll
Payroll 1/21	\$	245.76	
	\$	2,596.15	
	\$	12,445.06	
	\$	25,494.80	
	\$	5,141.01	\$ 45,922.78
Amazon	\$	19.02	12/14/2021
Mitel	\$	527.69	1/21/2022
BlueCross BlueShield	\$	7,001.04	1/21/2022

Less:

Advances for expenses not cleared:

Misc CCC	\$	(155.82)	remaining credit card credit
CCC	\$	33.00	min pmt
CCC	\$	2,931.20	
Cash Flow	\$	(25,000.00)	
Cleared check	\$	19.82	
To request:	\$	1,000.00	check 5444
	\$	0.01	12/22 payroll rounding

Advance Total reconciled \$ 75,000.00

DMC EDA
Operating Account
Reconciliation of Bank Balance to Advance Total
Bank Balance Date: 2/28/2022

Balance per Bank: \$ 48,226.90

Add:

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

Receivable		
Receivable	\$	(1,360.16) Payroll
Payroll 2/4	\$	(5,311.36) Payroll
Payroll 2/18	\$	(4,862.35) Payroll
Cleared check	\$	66.99
NSF fee	\$	37.50 2/24/22
Payroll 2/4	\$	245.76
	\$	2,221.15
	\$	13,006.82
	\$	26,516.81
	\$	5,141.01
	\$	47,131.55
Payroll 2/18	\$	245.76
	\$	2,221.15
	\$	12,538.52
	\$	25,916.89
	\$	5,194.17
	\$	46,116.49
Payroll 2/24	\$	30.60
	\$	184.70
	\$	215.30
Mitel	\$	527.69 1/21/2022
BlueCross BlueShield	\$	7,001.04 1/21/2022
Mitel	\$	527.69 2/22/2022
BlueCross BlueShield	\$	11,826.54 2/22/2022

Less:

Advance for expenses not cleared:

Misc CCC	\$	(155.82) remaining credit card credit
CCC	\$	12.00 min pmt
Cash Flow	\$	(25,000.00) 1/7/2022
Cash Flow	\$	(50,000.00) 2/24/2022

Advance Total reconciled \$ 75,000.00

DMC EDA
Operating Account
Reconciliation of Bank Balance to Advance Total
Bank Balance Date: 3/31/2022

Balance per Bank: \$ 60,417.90

Add:

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

Receivable		
Payroll 4/1	\$ (5,068.19)	Payroll
Payroll 4/1	\$ 230.76	
	\$ 2,096.15	
	\$ 13,616.10	
	\$ 27,689.29	
	\$ -	\$ 43,632.30
Mitel	\$ 527.69	3/22/2022
BlueCross BlueShield	\$ 8,609.54	3/22/2022

Less:

Advance for expenses not cleared:

Misc CCC	\$ (155.82)	remaining credit card credit
CCC	\$ (6,509.14)	
Cash Flow	\$ (25,000.00)	1/7/2022
Outstanding checks	\$ (1,221.81)	
Outstanding checks	\$ (232.47)	

Advance Total reconciled \$ 75,000.00

DMC EDA
Operating Account
Reconciliation of Bank Balance to Advance Total
Bank Balance Date: 4/30/2022

Balance per Bank: \$ 59,883.65

Add:

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

Receivable		
Payroll 4/29	\$	(4,682.36) Payroll
Payroll 4/29	\$	221.15
	\$	230.76
	\$	13,667.22
	\$	27,766.47
	\$	41,885.60
Mitel	\$	527.25 4/20/2022
BlueCross BlueShield	\$	8,609.54 4/21/2022
Check	\$	259.38

Less:

Advance for expenses not cleared:

Misc CCC	\$	(155.82) remaining credit card credit
CCC	\$	(1,417.31)

Outstanding checks	\$	(102.52) 4/1/22 #5464
Outstanding checks	\$	(232.47) 4/27/22 #5465
Outstanding checks	\$	(1,260.74) 4/27/22 #5466
Outstanding checks	\$	(89.00) 4/27/22 #5467
Outstanding checks	\$	(3,225.20) 4/27/22 #5468

Advance Total reconciled \$ 100,000.00

DMC EDA
Operating Account
Reconciliation of Bank Balance to Advance Total
Bank Balance Date: 5/31/2022

Balance per Bank: \$ 18,240.58

Add:

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

Receivable		
Payroll	\$	(4,986.22) 5/13/2022
Payroll	\$	(4,856.35) 5/27/2022
Payroll 5/13	\$	221.15
	\$	230.76
	\$	15,632.05
	\$	29,238.73
	\$	6,003.93
	\$	51,326.62
Payroll 5/27	\$	221.15
	\$	245.76
	\$	14,199.59
	\$	28,645.07
	\$	5,415.43
	\$	48,727.00
Mitel	\$	525.39 5/20/2022
BlueCross BlueShield	\$	8,609.54 5/23/2022
Check cleared	\$	259.38
Lincoln Nation	\$	224.17 5/3/2022
Check cleared	\$	1,970.01 #5471
Check cleared	\$	232.47 #5472
Check cleared	\$	1,260.74 #5473
Check cleared	\$	315.50
Check cleared	\$	319.00
Check cleared	\$	34.24

Less:

Advance for expenses not cleared:

Misc CCC	\$	(155.82) remaining credit card credit
CCC	\$	34.00 min pmt
CCC	\$	1,144.95 5/1/2722
Cash Flow	\$	(20,000.00)
Outstanding checks	\$	(3,225.20) 4/27/22 #5468

Advance Total reconciled \$ 100,000.00

DMC EDA
Operating Account
Reconciliation of Bank Balance to Advance Total
Bank Balance Date: 6/30/2022

Balance per Bank: \$ 18,205.22

Add:

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

Receivable		
Payroll 6/10	\$	(4,986.22)
Payroll		
Payroll 6/10	\$	221.15
	\$	395.76
	\$	13,772.27
	\$	27,769.89
	\$	5,415.43
	\$	47,574.50
Payroll 6/24	\$	221.15
	\$	245.76
	\$	13,801.90
	\$	28,319.99
	\$	5,415.43
	\$	48,004.23
Mitel	\$	525.39 6/22/2022
BlueCross BlueShield	\$	8,609.54 6/21/2022
Refund posted	\$	(8.64) Amazon
Lincoln Nation	\$	352.31 6/2/2022
Check cleared	\$	319.00 5/17/2022
Check cleared	\$	232.47 #5476
Check cleared	\$	1,260.74 #5477
Check cleared	\$	85.85 6/8 Amazon
Check cleared	\$	16.95 6/9 Amazon

Less:

Advance for expenses not cleared:

Misc CCC	\$	(155.82) remaining credit card credit
CCC	\$	67.00 min pmt
Cash Flow	\$	(20,000.00)
Outstanding checks	\$	(102.52) Ck to Aon

Advance Total reconciled \$ 100,000.00

DMC EDA
Operating Account
Reconciliation of Bank Balance to Advance Total
Bank Balance Date: 7/31/2022

Balance per Bank: \$ 123,134.82

Add:

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

Receivable:
Payroll
Payroll

\$ -

Mitel
BlueCross BlueShield \$ 8,609.54 7/21/2022
Check cleared \$ 319.00 5/17/2022

Less:

Advance for expenses not cleared:

Misc CCC \$ (155.82) remaining credit card credit
CCC \$ 37.00 min pmt
CCC \$ (6,213.59)
Cash Flow \$ (20,000.00)
Outstanding checks \$ (129.22) Allison Bowman
Outstanding checks \$ (102.52) Smith Schafer
Outstanding checks \$ (901.76) Data Smart
Outstanding checks \$ (919.05) Data Smart
Outstanding checks \$ (232.47) Arnold's
Outstanding checks \$ (89.42) Aon
Outstanding checks \$ (3,356.51) Mike Flynn

Advance Total reconciled \$ 100,000.00

Heart of the City

To: DMCC Board of Directors
From: DMC EDA
Date: September 16, 2022

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 will create active, engaging experiences for residents, visitors and patients in the heart of downtown Rochester.

The project broke ground in April 2020.

Project Update

Items to be completed in Summer/Fall 2022:

- Catenary lighting system will be installed after the Rochester Downtown Alliance's final summer events (approx. September 19)

Community Response

The general community response has been positive. The Peace Plaza is active most days. Examples include:

- Chateau Theatre activation by Threshold Arts (pop-up shops, community events)
- Weekly Sidewalk Sessions (live music)
- Rochester Downtown Alliance activation (including Thursdays Downtown)
- Start-up Grant Events
 - o ICAM Utsav Color Run and Food Mela by Indian Cultural Association of Minnesota
 - o Butterfly Festival by Listos Preschool and Childcare
 - o Heart of Our City Exhibit and Art Walk by Lisa Higgs
 - o Med City Art Festival

Business Response

Businesses around the plaza have reported positive feedback including:

- Return of Primp Boutique
- Expanded hours of Moka coffee shop
- Announcement of new business Opa! Greek restaurant
- Popus Gourmet Popcorn to open on the N.E. corner of Second Street SW and First Ave S.
- Hope Central, a retail shop specializing in the sale of clothing and other items from local non-profits
-

Community Critiques (themes)

The DMC EDA has received feedback about the design and experience of the new space including:

- Lack of green space (removal of the grass on the east side of the plaza)
- Experience of navigation (including raised lettering and ridged pavers)
- Wakefield (including data privacy and provocative theme of the art)
- Lack of Public restrooms
- Perception of the cost of wood benches
- Tree locations in front of businesses and sight lines



Post-occupancy Analysis

- In current negotiations with Gehl to determine if we improved the experience of the Peace Plaza. To do so we will gather and analyze information:
 - o To learn about what works well and what doesn't
 - o To examine if the uses of the space meet the original expectations and intention
 - o To understand if improvements are needed
 - o To inform future public space projects

Key Lessons Learned

- Implementing a Business Forward Strategy led to the success of a positive experience for impacted businesses and project implementation
- While the Heart of the City project pre-dated Community Co-design, a Community Task Force was put into place to help guide the design of the project.
- Projects like Heart of the City tend to span over long periods of time which can impact support of the vision or purpose of the project. For example, Heart of the City began in 2016 with community engagement and schematic design and construction completed in 2022.

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:



Discovery Square

To: DMCC Board of Directors
From: DMC EDA
Date: September 16, 2022



Request of the board of directors:

None at this time.

Discovery Square Updates:

- Strategy being considered for development of Life Science infrastructure that would be a key component of the Discovery Square value proposition.
- Tenant recruitment discussions in progress
 - On August 15, 2022, Mayo Clinic and National Resilience Inc. announced a strategic biomanufacturing collaboration, to be located within Two Discovery Square.
- Broader economic development underway, see separate report.
- Three Discovery Square development discussions continue.
- Discovery Walk:
 - Phase 1 Discovery Walk construction (500 and 400 blocks) continues. Street and sidewalks will be completed and open by the end of this construction season.
 - Phase 1 landscaping will be done in Spring '23, as will the start of Phase 2 work for 300 and 200 blocks.
 - Discovery Walk Business Forward activities – weekly touchpoints with some businesses, biweekly stakeholder meetings, regular window-washing for retail businesses, parking and wayfinding navigation as needed.
 - Community “Big Dig” event planned for September.
- Mayo Clinic Kellen Building construction continues.
- Mayo Clinic 1,200 stall parking structure construction continues.

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.

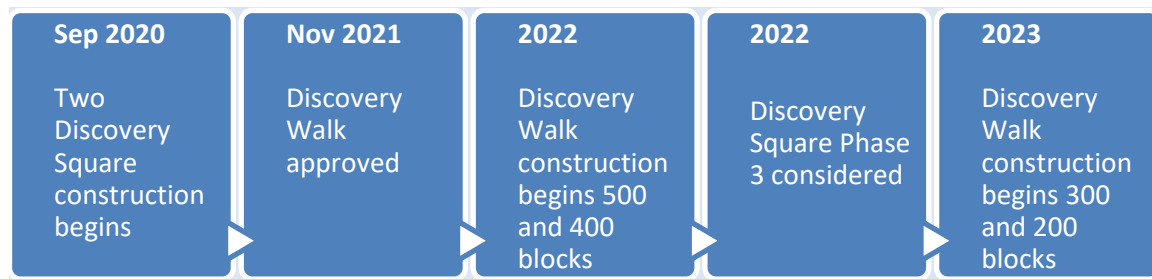
Technology and innovation are core to the DMC economic strategy. Our vision is to promote an economic development structure that fosters advancement and growth of the medical, research, innovation, education, entrepreneurial and general business environment in Rochester.

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 2022 operating and CIP funds.

Approvals, milestones, and decision points:



Mobility

To: DMCC Board of Directors
From: DMC EDA
Date: September 16, 2022



Request of the board of directors:

None of this time.

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.

Recent LINK BRT Milestones:

- Mayo and the City of Rochester have agreed to terms and conditions for a 20-year operating agreement, whereby Mayo's financial support will cover the annual local match for operating costs. All riders will be able to use the system fare-free.
- East end realignment was approved and the re-submittal of the Small Starts application occurred on August 26, 2022
- Selection of 6 artists (3 local, 3 national) to participate in the public art component of the project

Upcoming BRT Milestones:

- Complete key state and Federal environmental reviews and risk assessments (mid-2023)
- Finalize vehicle design and place order (4Q 2023)

Other Mobility Updates:

- Active hiring process underway for Active Transportation Coordinator role
- City of Rochester Issues draft Active Transportation Plan
- Downtown Sidewalk Enhancements underway
- 6th Street Bridge receives \$19.6M of Federal funds
- HourCar leaves Rochester, Turo enters the market

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

DMC EDA Staff are working in collaboration with the City staff and the consultant team, SRF, with a continued focus on the goal of creating a world-class experience that centers equity of access and foregrounds BRT as a desirable consumer choice.

Current Status:

See above milestones.

Next Steps:

See above milestones.

MEMORANDUM

LINK RAPID TRANSIT PROJECT UPDATES

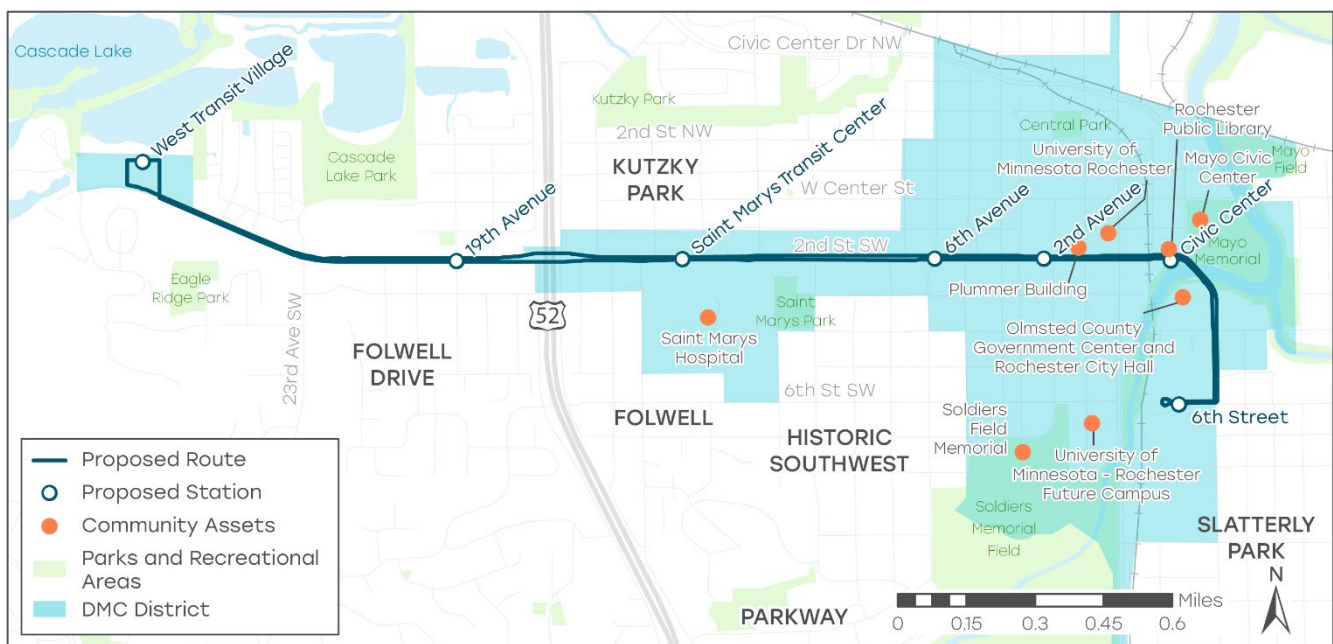


To: Destination Medical Center Corporation Board
From: Link Rapid Transit Project Staff
Date: September 15, 2022
Subject: Link Rapid Transit Project Updates

The Link Rapid Transit Project is an approximately 2.9-mile proposed bus rapid transit (BRT) route along 2nd Street SW (Figure 1). Scheduled to begin service in 2026, it will connect the West Transit Village, Cascade Lake, Mayo Clinic campuses, downtown Rochester, the Mayo Civic Center, and the Rochester-Olmsted Government Center, and will be the first BRT route in Minnesota outside the Twin Cities.

The Link Rapid Transit Project, with an estimated cost of \$143 million, will provide fast, frequent service across the city to support economic development, especially along the route; enrich the quality of life; and achieve important transportation goals. This generational investment in infrastructure will become a significant amenity to a broad cross-section of residents, commuters, and visitors.

Figure 1: Link Rapid Transit and Community Assets



PROJECT UPDATES

The following information is presented as an update on the current status of Link Rapid Transit.

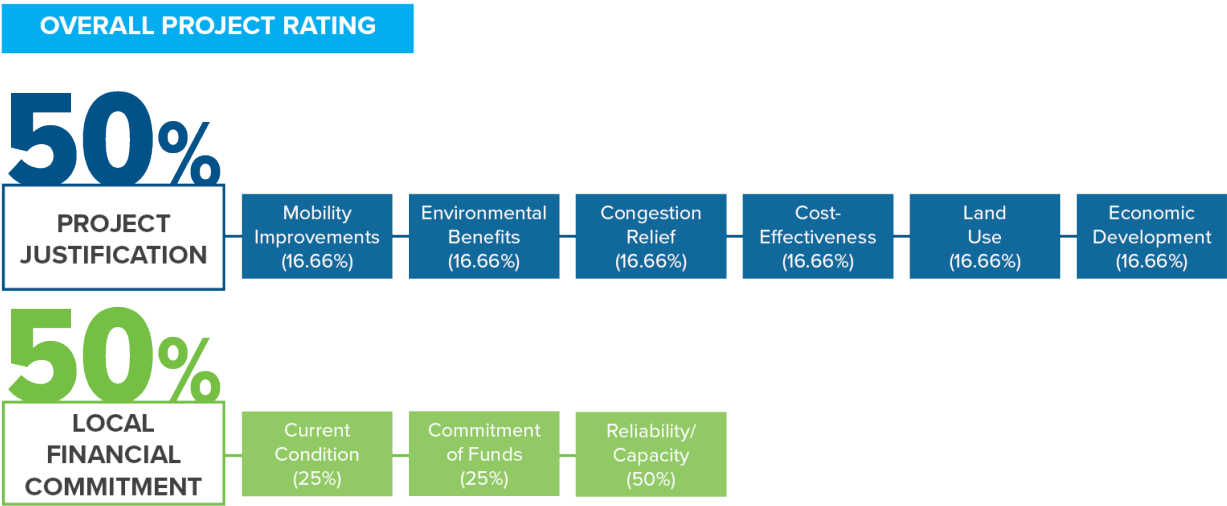
SMALL STARTS RESUBMITTAL

Link Rapid Transit Project staff initially applied for Small Starts funding via the Federal Transit Administration's (FTA) Capital Investment Grants program in August 2020. On August 26, 2022, staff submitted an updated application to reflect changes to the project including removal of the 9th Avenue

station and relocation of the eastern terminus from the Rochester-Olmsted Government Center to 6th Street SE just west of 3rd Avenue SE.

The project must receive at least a medium rating for both Project Justification and Local Financial Commitment to be eligible for Small Starts funding. Each Project Justification criterion is weighted equally; the “Current Condition” and “Commitment of Funds” criteria each are weighted at 25 percent of the Local Financial Commitment rating and the “Reliability/Capacity” criterion is weighted at 50 percent, as shown in Figure 2 below.

Figure 2: Small Starts Ratings Calculation



Link Rapid Transit is anticipated to earn a Medium-High rating for the Local Financial Commitment criteria, and is anticipated to earn a Medium rating for Project Justification. These two ratings are averaged for an overall project rating of Medium-High. Estimated ratings for each Project Justification criterion are shown in Table 1 and for each Local Financial Commitment criterion in Table 2.

Table 1: Estimated Project Justification Ratings

Criterion	Metrics	Estimated 2022 Rating
Mobility Improvements	Annualized project trips + project trips by zero-car households	Medium-Low
Cost Effectiveness	Annualized capital + operating costs per rider	Medium-High
Congestion Relief	Weekday project new transit trips	Medium
Environmental Benefits	Value of auto VMT savings + transit service changes per dollar of annualized cost	Medium-Low

Land Use	Quantitative analysis of population, employment, downtown parking and affordable housing	Medium-Low
Economic Development	Qualitative analysis of plans and policies to encourage transit-oriented development, and maintain and create affordable housing	Medium-High
Overall Rating		Medium

Table 2: Estimated Local Financial Commitment Ratings

Criterion	Metrics	Estimated 2022 Rating
Current Capital and Operating Condition	Average bus fleet age, current ratio, bond ratings, cash flow, service cutbacks in recent years	Medium-High
Commitment of Capital and Operating Funds	Commitment of or budgeting for operations, maintenance, and non-Section 5309 capital funds	Medium-High
Reasonableness of Capital and Operating Cost Estimates and Planning Assumptions/ Capital Funding Capacity	Assumptions and cost estimates in financial plan; debt capacity, cash reserves, or other committed funds	Medium-High
Overall Rating		Medium-High

DRAFT CATEGORICAL EXCLUSION TIMELINE

In order to be eligible for CIG funding, the Link Rapid Transit Project must complete the appropriate type of environmental document under the National Environmental Policy Act of 1970. The environmental document for Link Rapid Transit is a Documented Categorical Exclusion (DCE) based on FTA's judgment that the project will not involve significant environmental impacts. The DCE evaluates how a project might affect aspects of the environment including traffic and transportation resources, parkland and recreational areas, and historic properties, identifies potential impacts to these resources, and establishes mitigation measures to address these impacts.

The Link Rapid Transit DCE is currently under review by the City of Rochester and FTA review is expected to begin in late September 2022. The Section 106 process, in which project staff conduct an in-depth review of established and potential historic resources in the project area, is anticipated to be

complete in March 2023. The overall NEPA process is scheduled to conclude in May 2023, at which point engineering design can begin progressing from 60 to 90 percent completion.

60 PERCENT DESIGN PLANS

Link Rapid Transit Project staff initially submitted 60 percent design plans to the City for review in August 2021 and resubmitted revised plans in July 2022. Revisions made to the plans include the following:

- Advancement of West Transit Village design.
- Off-street bikeway to accommodate westbound local bus stop near 23rd Avenue.
- Advancement of Saint Marys Transit Center design, including a new vertical circulation building and revised tunnel alignment.
- Addition of westbound platform at Civic Center station.
- Government Center station removed and replaced by 6th Street station.
- Route modified to travel on 3rd Avenue and 6th Street SE, which will be extended to accommodate Link; lane modifications also added to accommodate future traffic patterns.

Review and revision of 60 percent design plans is expected to be complete in December 2022 and staff will resume the design process upon completion of NEPA in May 2023.

ARTIST SELECTION

The Link Rapid Transit Art Advisory Committee, which includes representatives from the design team, the City of Rochester, DMC, Mayo Clinic, and local artists, issued an artist request for qualifications in June 2022 and received more than 100 applications. Artists will develop concepts for public art at Link stations, which the design team will integrate into station renderings by the end of the year.

MAYO CLINIC AGREEMENTS

The City of Rochester and Mayo Clinic adopted an agreement in August 2022 that address Link operations. The operations agreement defines performance measures and reporting requirements on such issues as ridership, passenger load, on-time performance, and rider feedback; outlines performance measures that address passenger experience, route operations, fleet condition, and software; and establishes the compensation amount and payment schedule for Link operations. The City and Mayo Clinic will continue negotiating agreements required for shared use assets and site-specific developments. These agreements will be completed by October 2023 in preparation of receiving federal funds (Small Starts grant agreement) later in the year.

Housing

To: DMCC Board of Directors
From: DMC EDA
Date: September 16, 2022

Action for the board of directors:

None at this time.



Workplan Update:

To meet the downtown housing demands outlined in the background section of this update, the DMC EDA has developed a housing strategy within the 2022 workplan. Below is a summary of the strategies and progress on them since the last update.

1. Share market needs and recruit developers to deliver the various housing products needed within the downtown
 - Real Estate Summit Focused on Housing –
 - Update: The summit occurred on May 12, 2022 and welcomed over 150 participants. A summary of the event and its outcomes was shared with the board and community groups.
 - Prioritized recruitment and developer host visits –
 - Update: Visits have been scheduled as part of the Housing Summit and following. Since January, the Team has met with seven new housing developers to learn about the Rochester housing market and economic development.
 - Establish a nation-wide housing developer analysis to broaden interest in the Rochester housing market
 - Update: Work is continuing to develop local, regional and national housing relationships to share about the Rochester market opportunity.
2. Collaborate with public and private partners to realize the downtown and community-wide outcomes
 - Rochester Housing Coalition Leadership Council Member
 - Update: Complete. Further, the DMC EDA, County and City housing leaders have set up regular meetings to move our collective housing initiatives forward coming from the Housing Coalition Leadership meetings.
 - Understand past housing development progress in the downtown and its relationship to the projected market needs
 - Update: In progress, though nearly complete
3. Establish a policy and financial framework to realize the downtown housing market demand leveraging existing and new tools, and novel approaches
 - Update: The DMC EDA shared this proposed scope of work with the Housing Leadership Collaborative and is refining its approach and purpose to incorporate the perspective of this group and create a city-wide analysis. The RFP is currently out, and multiple firms have shared interest.
4. Learn best practices from across the US and determine applicability to downtown Rochester
 - Urban Land Institute Housing Conference in March 2022
 - Update: Complete
 - Greenbuild Conference scheduled for Fall 2022
 - Update: Registered
 - Analyze promising housing approaches:
 - Cooperative Housing
 - Rent to Ownership Models
 - Accessory Dwelling Units
 - Prefabricated construction methods
 - Update: As it relates to the four housing approaches above and others, the Team has been discussing these approaches with new developers to Rochester, identifying and working to speak with developers with this expertise in other markets, and involving our collaborating agencies (Olmsted County, City of Rochester, Housing Coalition) in these discussions and meeting
5. Establish staff and budget resources to Implement housing strategy
 - Sustainability and Housing Director – focus for position to integrate housing strategy and approach
 - Equitable Development Coordinator – Within job description, focus to realize housing outcomes aligned to downtown housing market needs
 - Update: Complete

In terms of next steps, the Team will work to continue to advance the work described above to reach our targets. Three priorities are to continue conversations to grow developer awareness of Rochester, particularly developers of color; the second is to finalize the housing analysis scope of work and identify a firm to complete this body of work; and the third is to continue to identify and evaluate predevelopment support programs throughout the state to inform a Rochester program.

Background:

The downtown housing market demand for market rate units, affordable and subsidized units, and senior housing units by 2030 are summarized below. In previous board packets, a full summary and explanation of the data and its sources were included.

- **1,213 affordable and subsidized units** at varying levels of affordability
 - 674 units at 30% AMI or below
 - 224 units at 30% to 50% AMI
 - Progress: Bryk Contribution = 54 units at 50% AMI
 - 315 units at 50% to 80% AMI
 - Progress: Bryk Contribution = 126 total units
 - 18 units at 60% AMI
 - 108 units at 80% AMI
- **1,840 market rate units** of varying type and affordability
 - 1,472 market rate rental
 - 236 multifamily for sale
 - 132 single family for sale
- **919 senior housing units** of varying type and affordability
 - Active adult ownership: 147 units
 - Active adult market rate rental: 248 units
 - Active adult affordable: 180 units
 - Active adult subsidized: 9 units
 - Independent Living: 128 units
 - Assisted Living: 125 units
 - Memory Care: 82 units
- Total: **3,972 housing units** needed by 2030 (22% of county-wide housing market demand)

Development Along Rapid Transit Corridor

To: DMCC Board of Directors
From: DMC EDA
Date: September 16, 2022



Request of the board of directors:

None at this time.

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, the City of Rochester, 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.

Approvals, milestones, and decision points:

Since the last Board meeting, real estate advisory firm NTH completed a marketing prospectus for the West Transit Village site. NTH was retained by DMC and Mayo Clinic to assist in positioning the Mayo Clinic West Lot on 2nd Street SW for future development as the “West Transit Village” and to take advantage of the BRT line being developed along 2nd Street SW.

Next steps:

1. Bring on a development partner prior to finalizing site details with the FTA. Projected schedule:
 - a. Fall 2022 developer recruitment
 - b. Mayo targeting selecting a preferred partner by year-end 2022
 - c. Winter 2023 – develop final development site plan and BRT infrastructure plan for the site, in conjunction with Mayo Clinic, DMC and the City of Rochester
 - d. Spring 2023 – preliminary plan ready for Risk Workshop with the FTA
2. Partnership should be based on:
 - a. Experience with complicated developments, including experience with TOD, multiple decision makers and the FTA
 - b. Commitment to Mayo Clinic, DMC and City of Rochester goals
 - c. Willingness to work quickly to shape the final site plan (see schedule above)
 - d. Approach to pricing site acquisition
 - e. Quality of proposed team (e.g., design partner)
 - f. Financial wherewithal to complete the project
 - g. Community engagement experience and success
 - h. History of developing for sale vs. maintaining ownership

Main Street Economic Revitalization Program Grant

To: DMCC Board of Directors

From: DMC EDA

Date: September 16, 2022

Request of the board of directors: None

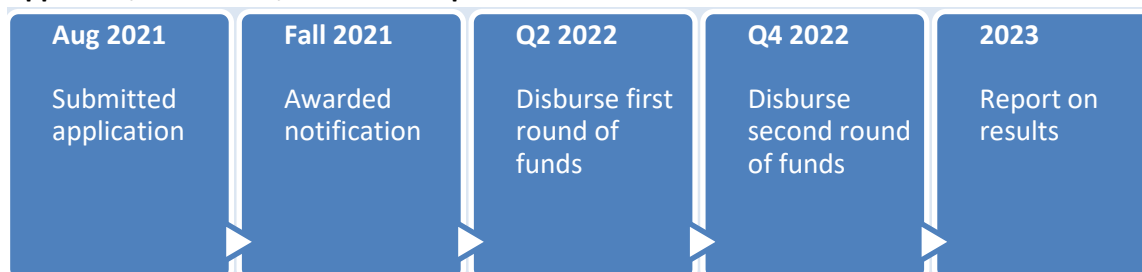
Context

- DMC EDA applied for and was awarded \$3.12M funding (\$3M for grant award for capital projects in the DMC district, \$120K for administrative costs) by MN DEED.
- Funds can support up to 30% of cost of new projects (not already completed or in-flight projects), remaining funds to come from other sources.
- Grant awards can range from a minimum of \$3K (meaning a \$10K project) and a maximum of \$750K (meaning a \$2.25M project).

Program Update:

- Reviewed 36 applications:
- Award Determinations:
 - Sixteen funded at level requested
 - Fourteen funded at reduced level
 - One on hold, awaiting additional information
 - Five denied funding, either ineligible or withdrawn projects
- 30 Total awards = \$1.65M (of total \$3M available)
- Average award = \$55K
- Total Project Costs = \$48.3M (est)
- Uses:
 - Retail & restaurant: 15
 - Mixed-use: 5
 - Non-profit: 5
 - Office: 3
 - Housing/lodging: 2
- Ten awardees are BIPOC and/or woman-owned businesses (34%)
- Five awardees are BIPOC (17%)

Approvals, milestones, and decision points:



To: DMCC Board of Directors
From: DMC EDA
Date: September 16, 2022

Project Updates:

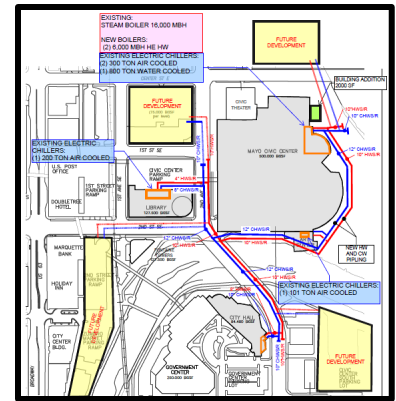
1. In May 2022, the state legislature did not support a bonding bill, so some of the funding to support the full vision of the project did not materialize.
2. The City adjusted its scope and inherent budget to include a geothermal system that would heat and cool City Hall and can be expanded over time to connect to redevelopment sites either publicly or privately owned. The other City buildings will receive natural gas boilers to heat their facilities.
3. In August, the City also received \$2M of federal funding to help support the installation of geothermal and other renewable energy sources tied to the district energy concept. The City, DMC EDA and design team are determining the best use of these funds to support the district energy concept, and likely establish a northern geothermal plant site that would serve Mayo Civic Center and the North Civic Center parking lot redevelopment site.

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

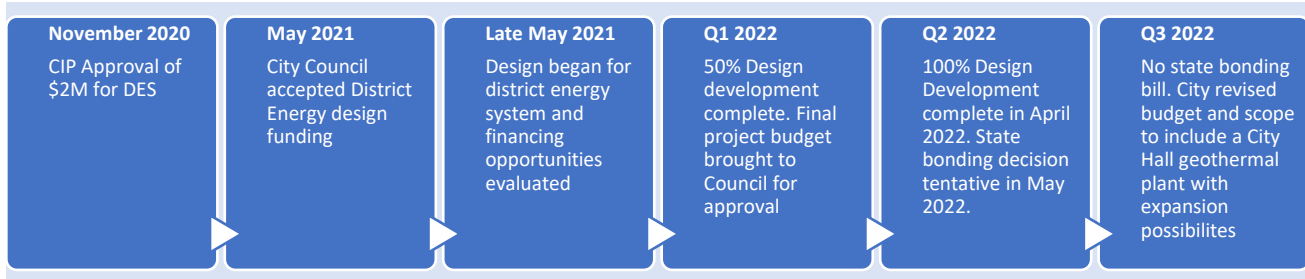
Recognizing the role that a downtown district energy system could have on realizing its energy consumption and carbon footprint reduction goals, DMCC authorized \$2 million in the 2021 and 2022 Capital Improvement Program, building off prior investment in preliminary engineering studies in 2019 and 2020.

- 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
- 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, additional plant locations can easily be integrated into the system.
- Additional planning will be conducted to connect the system to the South of Downtown Waterfront Site Development.
- The City of Rochester and DMC EDA partnered on an economic analysis of the district energy system that will deliver three key findings:
 - Relevant to the City, the analysis will compare the economic and environmental benefits of two outcomes: the City pursuing a building-level solution or a district energy solution
 - Relevant to the DMC, the economic case to a private developer to connect including the utility and environmental costs, and opportunity costs of saving space within a development
 - Finally, the economic evaluation will also place monetary value to the environmental outcomes of the district energy system to account for its environmental benefits and externalities



- **Geothermal Feasibility Studies** – In collaboration with the City of Rochester, Mayo Clinic, and Olmsted County, we are conducting two geothermal feasibility studies to understand the energy potential of the aquifer below Rochester. Two different technologies are being vetted for their suitability to the district energy system design. The test bores showed the aquifers have favorable underground conditions to support their use for aquifer-based heat pump development.

Approvals, milestones, and decision points:



Energy and Sustainability

To: DMCC Board of Directors
From: DMC EDA
Date: September 16, 2022

Request of the board of directors:

None at this time.

Project Updates:

1. Bikeshare and Community Partnership
 - a. Background: Since 2019, a collection of community organizations have partnered to offer a free bike-share program hosted at a collection of City facilities, with the main program at the Rochester Public Library. The program has offered 10-15 bikes from the spring to fall and allowed users to sign out bikes for their personal use for a day or week.
 - b. Next Steps: The Bike Share Program team is working to repair the bikeshare bikes to grant to individuals and community organizations, and working with bikeshare programs to continue a free or reduced cost program at the Library long-term.
2. Air Quality and Community Partnership
 - a. Background: Mayo Clinic, the City of Rochester, Olmsted County and the DMC EDA have partnered on an air quality sensor network, currently a set of 14 sensors installed throughout Rochester, including the downtown. These sensors are collecting particulate matter and a portion are collecting carbon monoxide, sulfur dioxide, and particulate matter and reporting on 15-minute intervals. This data will allow our collective groups and community understand the presence and timing of air pollution.
 - b. Next Steps: Currently, the collaboration is working on a data accuracy approach for the sensors to ensure accurate data is shared with the community. Once settled, the group is working to create a downtown data visualization display for the community.
3. City of Rochester Sustainability Partnership
 - a. Electrify Rochester Campaign – As part of a path to goal analysis, the City and DMC understand that electrification is the most promising strategy to reach our collective greenhouse gas reduction targets. This fall and continuing into 2023, the City, Energy Commission, and others will partner on an electrification campaign for renters and homeowners.
 - b. Energy Benchmarking Program – In fall 2022, city staff shared a plan to work through a planning process to move the current voluntary energy benchmarking program to a mandatory version of the program. This planning process will start in the fall of 2022 and carry through 2023.
 - c. Electric Vehicle Readiness - As part of a path to goal analysis, the City and DMC understand that vehicle electrification is the second most promising strategy to reach our collective greenhouse gas reduction targets. This fall and continuing into 2023, the City, Energy Commission, and others will partner on a vehicle electrification and electric vehicle infrastructure planning process.
 - d. Updated Climate Goals – In September of 2022, the City of Rochester adopted new climate goals of a 50% reduction by 2030 and a 100% reduction by 2050 using 2005 as a baseline. In the near future, updated greenhouse gas goals that align with the City of Rochester will be brought to the DMC for consideration.

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 to energy and 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

McKnight Grant Update

To: DMCC Board of Directors
From: DMC EDA
Date: September 16, 2022



Request of the board of directors:

None at this time.

Project Update:

- Since the last DMC EDA Board meeting, the workplan associated with the McKnight Foundation Equitable and Vibrant Communities grant has begun in three primary areas: housing, community co-design and the development of an equity-focused best practice sharing group. Progress against the housing and co-design efforts are captured in separate updates.
- Since January, the DMC EDA, Diversity Council and City of Rochester have met over four occasions to develop the beginnings of an Equity Alliance collaboration agreement, purpose, and aspiration statements, and identify shared projects to advance collectively. The purpose of this group is to share equity best practices and resources and advance collaborative initiatives to accelerate the adoption of equitable best practices in our community.

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.

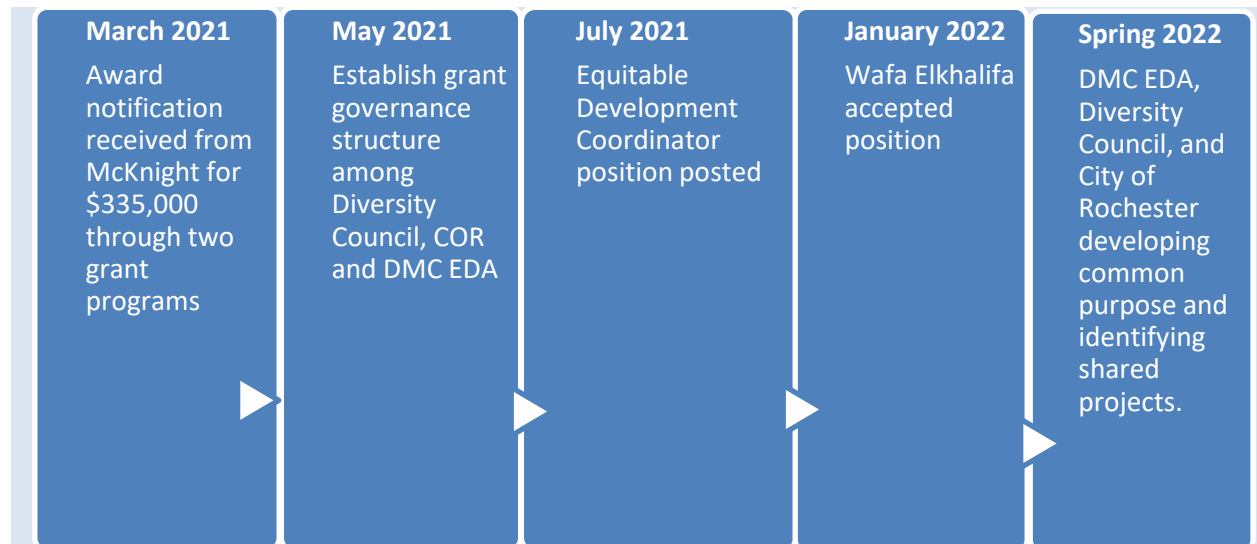
Fulfilling the DMC Mission, Vision, and/or Goals:

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:

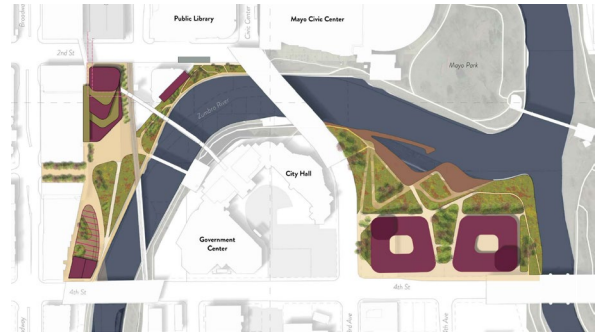
The current DMC work plan describes a variety of initiatives supported by the McKnight Foundation, DMC 2022 operating and CIP funds. The McKnight funds would help to support the work plan objectives outlined above.

Approvals, milestones, and decision points:



Riverfront Small Area Plan

To: DMCC Board of Directors
From: DMC EDA
Date: September 16, 2022



Request of the board of directors:

None at this time.

Background:

The City of Rochester selected urban design firm Gamble Associates, along with collaborators SWA Group, NEOO Partners and Omloop in fall of 2021 and work commenced in November 2021. Final design concepts were adopted by the City via unanimous approval by City Council in July 2022.

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.

Community Designed Principles:

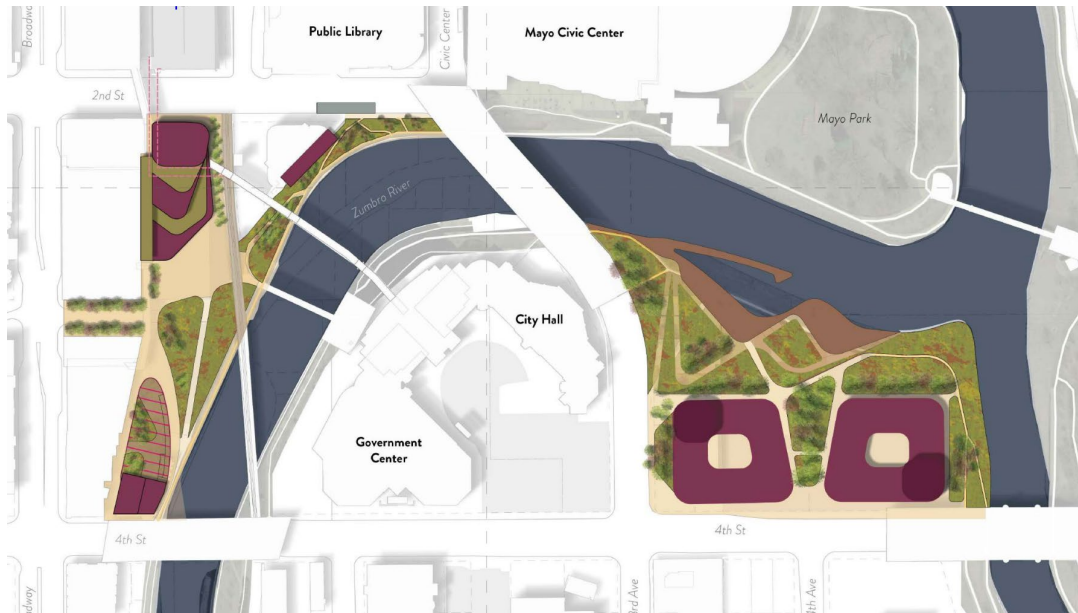
The Riverfront Small Area Plan Engagement Strategy was designed to inform a set of principles that would then be translated into physical design elements of the project site. Conversations with the community were held through virtual and in-person sessions, focus groups, meetings with stakeholders and check-ins with City Council members.

These engagement tactics were purposeful in helping to design the following principles:

- Leverage the riverfront as a destination and natural corridor that better connects the trail system to downtown
- Support local, diverse businesses and programming that grow entrepreneurial endeavors
- Ensure universal access to streetscapes, skyways, subways, buildings, and the riverway
- Strive for balance; polarizing issues are not helpful. Seek balance of:
 - o Open space + development
 - o New construction + historic preservation
 - o Public + private space
 - o Flood protection + river access
 - o East + West sites
- Forge a new identity for the riverfront that expands economic development opportunities and activates the public realm

Key Site Design Elements:

To create a bold vision for future use of the Riverfront Small Area Plan site, it will be essential to leverage both the east and west riverfront sites together. The east-side focus being higher density and the west-side focused on civic and community engagement.



Project Update and next steps:

- Preferred plan was presented to City Council meeting on July 18 and unanimously approved
- Actions steps because of that approval:
 - o Interim Activation – in partnership with the RDA and other organizations
 - o Advance flood wall work with Army Corps of Engineers
 - o Due diligence analysis of Red Owl and Times Theater Buildings
 - o Continue conversations with County regarding their portion of the site
 - o East site preparation
 - o Prepare RFQ/RFP for developer

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.

Approvals, milestones, and decision points:

Draft timeline:

Interim activation commenced in September 2022 – August 2023

Army Corps: Nov 2022 - June 2023

DD of Red Owl and Times Theater: Nov 2022 - June 2023

County conversations: September 2022 – January 2023

East site preparation: TBD

Release developer RFQ: September 2023

The Corporate Recruitment Process and the 2023 Program of Work

To: DMCC Board of Directors

From: DMC EDA

Date: September 16, 2022

Request of the board of directors:

None at this time.

Corporate Recruitment Process (*broadly defined*)

1. Community Development
 - a. Improve your “product” where you can.
 - b. Capitalize on strengths.
 - c. Build internal economic development capacity.
2. Research (biennial)
 - a. Understand your market position.
 - b. Define baseline levels of awareness.
 - c. Identify perceptions to enhance, and misperceptions to resolve.
3. Build Awareness
 - a. Meet your customers where they are at.
 - b. Articulate a value proposition.
 - c. Be consistent and predictable.
4. Deal Flow
 - a. Generate project activity.
 - b. Build a project pipeline.
 - c. Develop project management capabilities.
5. Project Wins
 - a. Land commitments for investment.
 - b. Track committed jobs and investments.
 - c. Utilize announcements to generate additional activity.
6. New Tax Revenue
 - a. The goal is net new tax revenue.
 - b. Project implementation is a multi-year process.
 - c. Direct and indirect jobs can generate new revenue.

Proposed 2023 Resource Allocation

The Four Pillars of Economic Development Program Building

1. Awareness Building (80%)
 - a. Begin to build a Program of Work.
 - b. Identify audiences and opportunities.
 - c. Focus on frequency.
2. Lead Generation (10%)
 - a. Continue program launched in 2022.
 - b. Improve processes and systems.
 - c. Add in-person opportunities.
3. Research & Data (5%)
 - a. Begin to design and build industry-focused collateral.
 - b. Launch a digital presence to house site and community data.
 - c. Build internal capacity.
4. Project Management (5%)
 - a. Build process and capacity to respond to inquiry.
 - b. Develop important partner relationships (public and private).
 - c. Land opportunities in 2023.

2023 Program of Work

- Aggressive outreach program focused on industry events around biopharma, corporate real estate, and international audiences.
- Creation of a digital presence, rich with industry data and points of conversion for interested readers.
- Leverage investments made by partners at DEED, Medical Alley, and Mayo.
- Expanded Lead Generation effort, with goals around individual campaigns and converted Leads.