

An aerial photograph of a city skyline, likely St. Louis, Missouri, featuring a river, a bridge, and various urban buildings. The image is partially obscured by a white diagonal shape that serves as a background for the text.

DMC Corporation Board of Directors Meeting

Thursday, September 22, 2022





Destination Medical Center Corporation

September 2022

We'll get you there.



CPAs | CONSULTANTS | WEALTH ADVISORS

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IRS Form 990

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



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!

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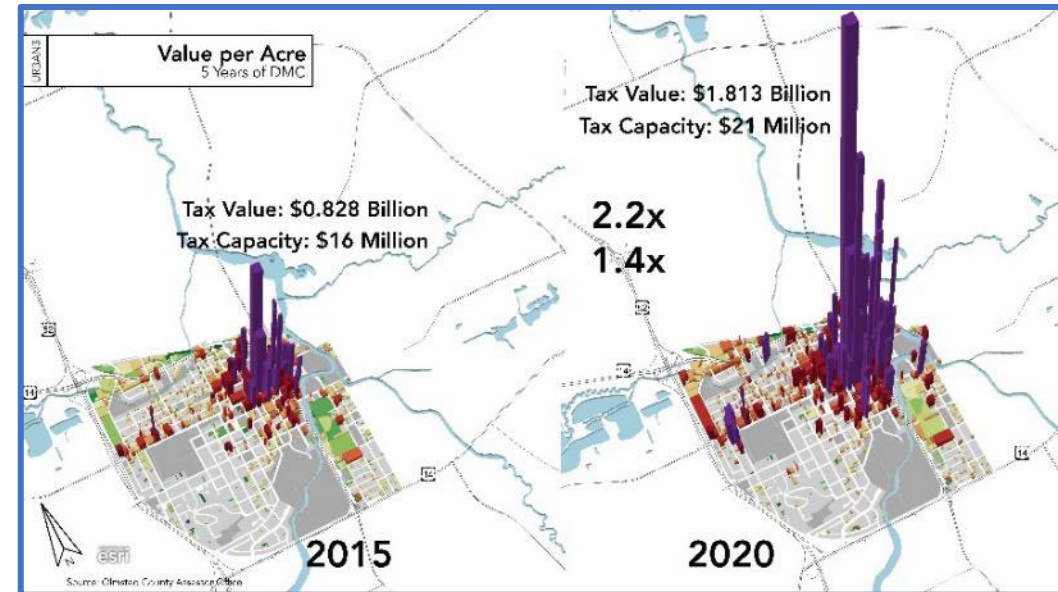
DMC Metrics



DMC Metrics

Describing Progress Toward DMC Goals

- **February: 30,000 New Jobs**
Construction workforce development strategies supported by the Bloomberg Global Mayor's Challenge award
- **May: \$5.6B in private investment**
An overview of Mayo Clinic's five-year capital plan
- **September: \$7-8B in new tax revenue**
Case study in how in-fill development can create tax capacity
- **November: Highest-quality Experience**
Discussion of the metrics and indicators DMC monitors to evaluate the efficacy of experience improvement strategies



DMC Metrics

DMC Development Plan Goals



Create a comprehensive strategic plan



Leverage the public investment of \$585 million to attract \$5B



Create approximately 30,000 new jobs



Generate approximately \$7.5 - \$8.0 billion in new net tax revenue



Achieve the highest quality patient, companion, visitor, employee, and resident experience



DMC Metrics

\$7.5-\$8B of Net New Tax Revenue over 35 years

Where do new tax revenues come from?

- **Operations**: corporate income taxes, personal income taxes, sales taxes, hotel taxes
- **Construction**: jobs, sales taxes, etc. during construction of the DEED certified investments within the district
- **Property Taxes**: property tax revenues from land and properties in district

(note: MinnesotaCare Provider Tax applies to gross receipts that health care providers receive for providing patient services in Minnesota. The tax rate is 1.8%.)



DMC Metrics

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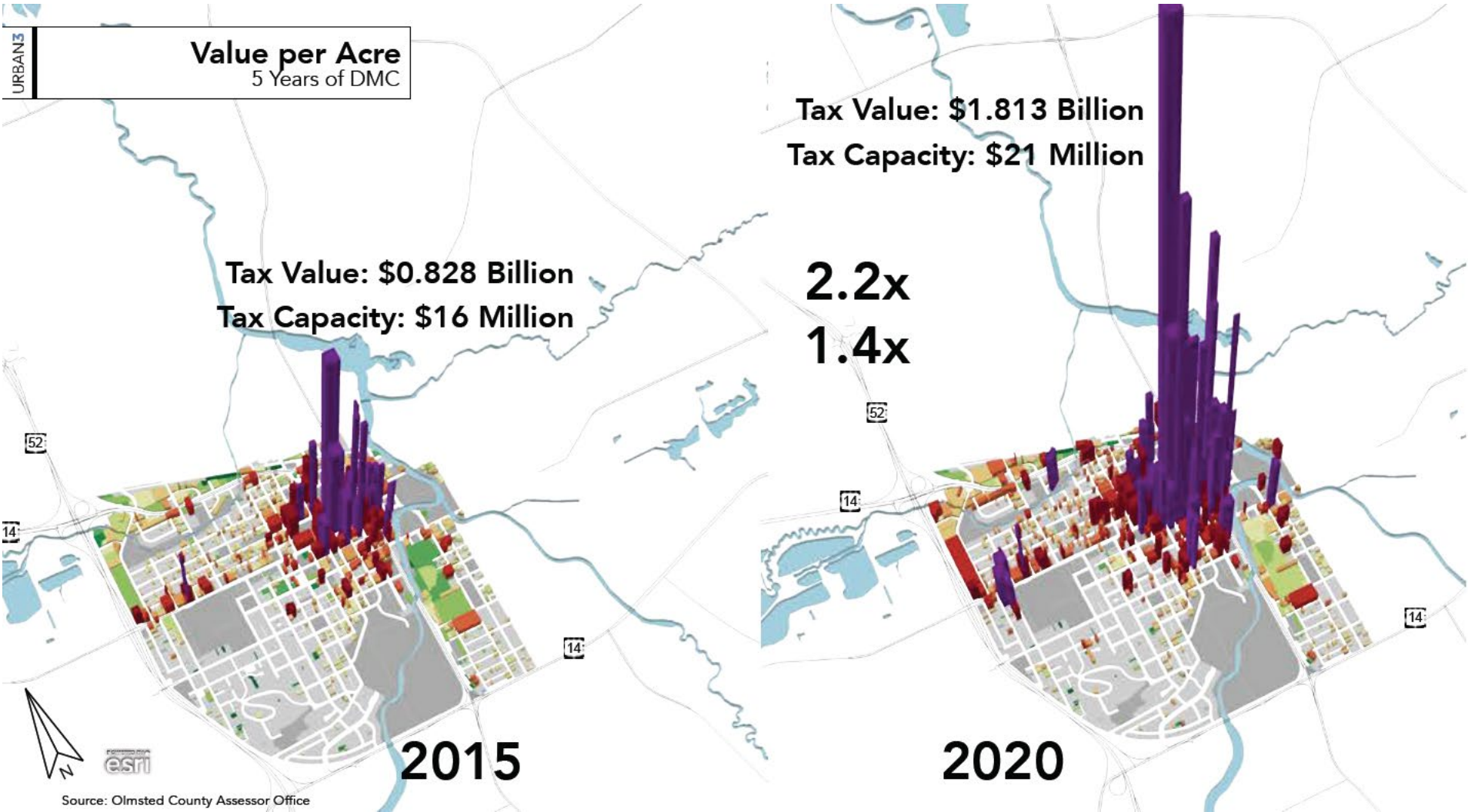
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DMC Metrics

First 5 years of DMC



DMC Metrics

Case Study: The Hue, 401 1st Ave

2019

Small commercial building and surface parking



Annual Property Taxes for 2019: **\$19,704**

Taxable Market Value: \$605,100

2021

50 apartment homes and ground floor retail



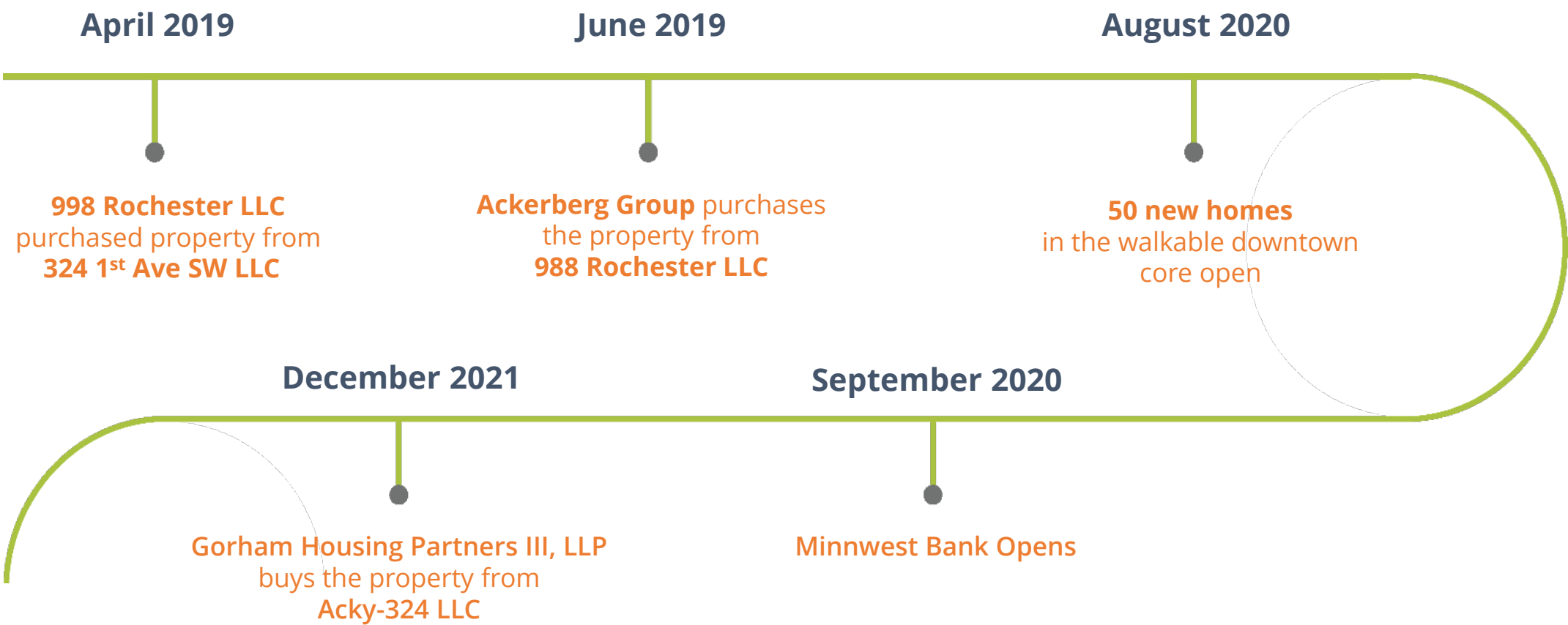
Annual Property Taxes for 2022: **\$126,234**

Taxable Market Value: \$12,967,200



DMC Metrics

Case Study: The Hue, 401 1st Ave



DMC Metrics

Case Study: The Hue, 401 1st Ave



General Contractor
Weis Builders

Minneapolis & Rochester



Ackerberg
Group

Minneapolis



Civil Engineer
WSB

Rochester

Gorham Housing
Partners III, LLP

Gorham Housing
Partners III, LLP

Mora



Architect
Momentum Design Group

St. Paul





“

The energy, growth, innovative contributors, and social scene all contribute to excitement that could not be ignored. Destination Medical Center, together with Mayo Clinic and University of Minnesota Rochester, create a compelling story in which we wanted to participate.”

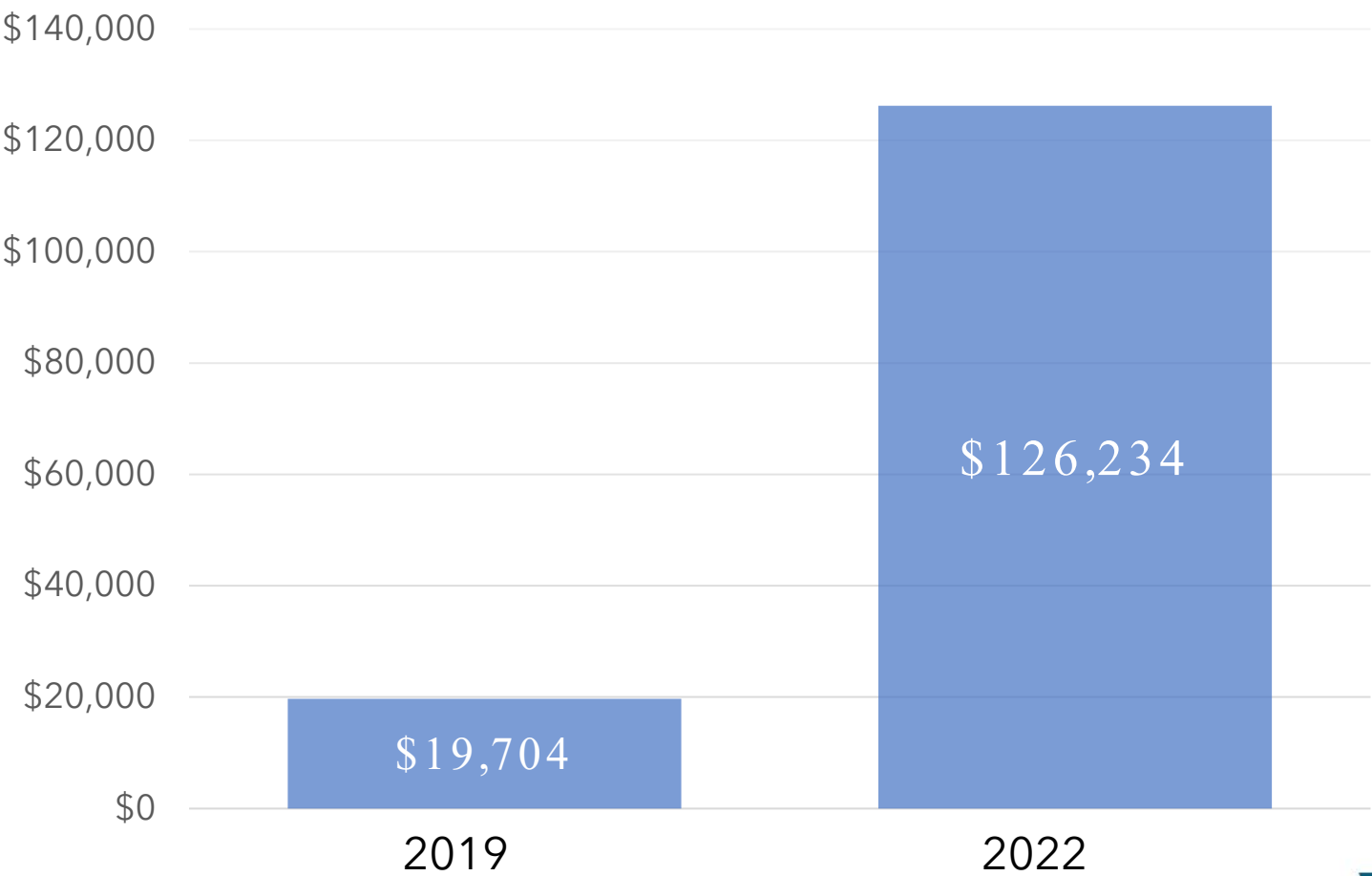
~ Stu Ackerberg, quoted in
Post Bulletin Jan. 14, 2022



DMC Metrics

Case Study: The Hue, 401 1st Ave

Annual Property Taxes Before vs. After Development

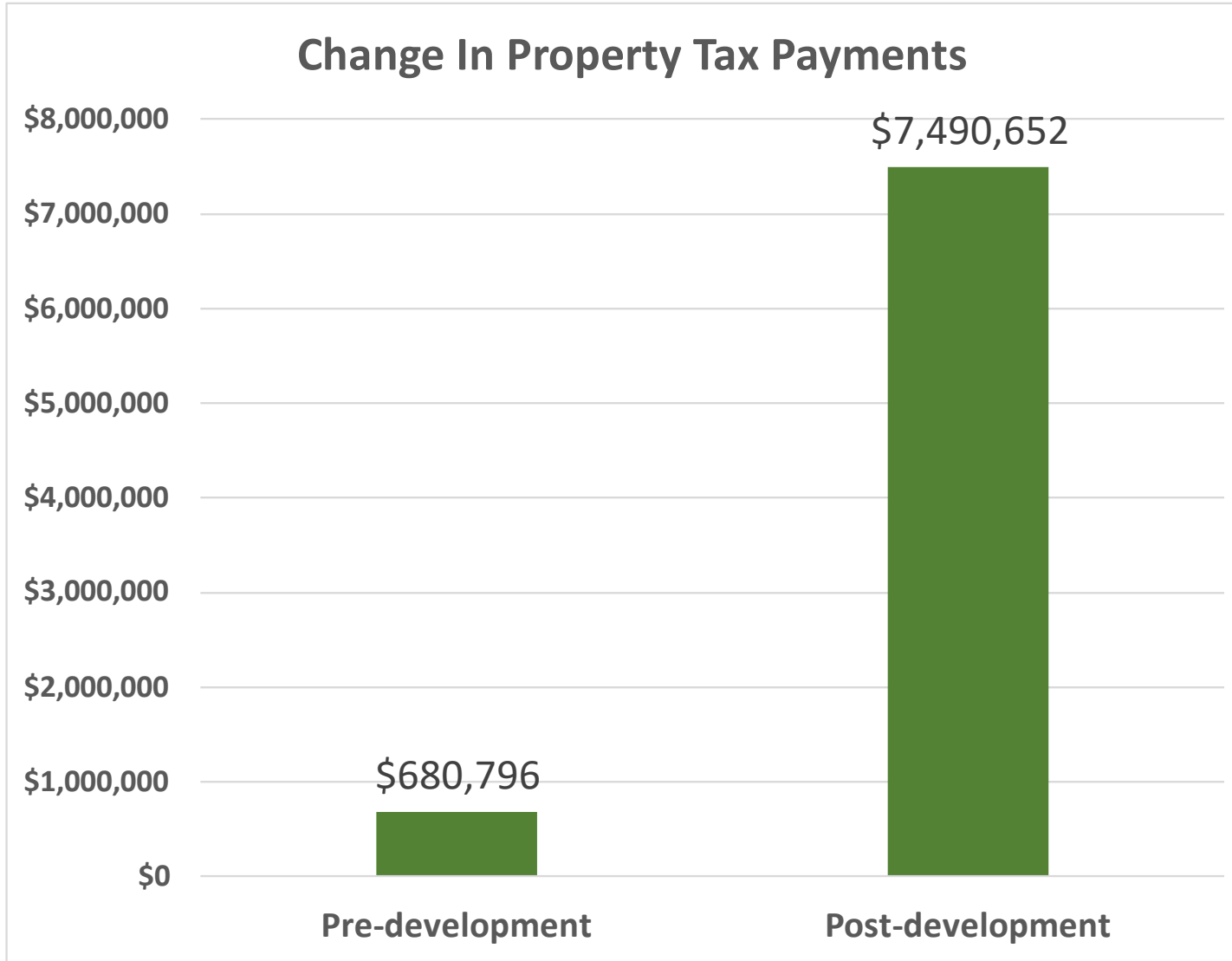


**Nearly
6x
increase**



DMC Metrics

What Happens when you start adding up multiple properties



**10x
increase**



DMC Metrics

Key Takeaways

- **TIF has an impact**
TIF delays the public receipt of some of the new tax revenues
- **In-fill development costs less to a community**
Infrastructure and services (police, fire, snow removal, etc.) is already in place in DMC district
- **New commercial buildings bring new net revenues**
These 14 buildings on underutilized lots have multiplied tax revenue 10x
- **Current residents are benefiting**
New development reduces demand on current Property Owner's tax burdens
- **Opportunity remains**
Downtown Rochester is still home to many vacant and under-developed sites



2023 DMC FUNDING REQUEST



DMC

Destination Medical Center
Rochester, MN

Today's Discussion

- Review Capital Projects and Operating Budgets
- Approve resolution advancing 2023 DMC Funding Request



Key Takeaways

The **Capital Improvement Program** discussion highlights:

- Projects we're finishing (e.g., Discovery Walk)
- Projects approved and underway (e.g., Rapid Transit)
- Projects previously discussed and ready for action (e.g., Soldiers Field, 6th St. bridge)
- Projects on the horizon (riverfront, Discovery Labs, smart city infrastructure)

The **workplan and operating budget** discussion highlights:

- Added capacity for business development and lead generation
- Resources to fulfill DMCC board expectations for advancing equity, sustainability, affordability, community engagement, and health
- Capacity-building within the City of Rochester



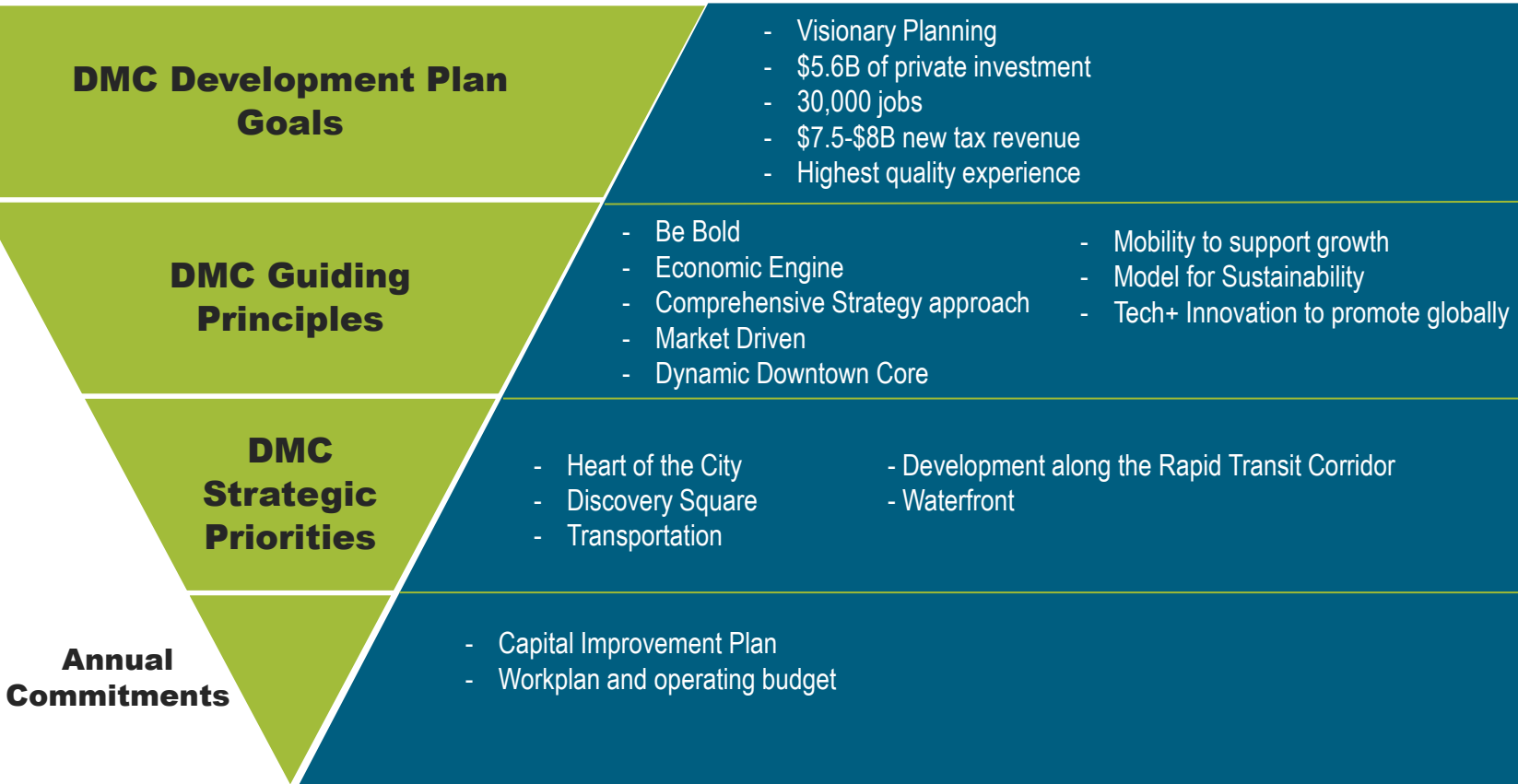
TIMELINE

- **May-August 2022:** Funding request prep
- **September 2022:** DMCC consideration
- **October 2022:** Rochester City Council consideration



EVALUATING DMC INVESTMENT OPPORTUNITIES

PROCESS FOR DEVELOPING RECOMMENDATIONS TO DMCC



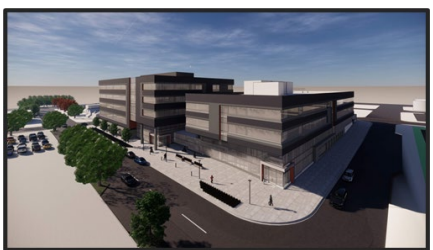
**DMC EDA Work Plan:
Two Major Components**

Guiding \$585M Public Infrastructure Investment

The public infrastructure necessary to allow for job growth, capital investment, new tax generation, an improved community experience, and the fulfillment of the DMC vision



+



Attracting \$5.6B Private Investment

The programs and project support to attract developers, private capital, and new businesses.

2023 DMC CAPITAL INVESTMENTS

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		
	DMC GSIA	\$9,092,566			
8 Rapid Transit, including Second Street Reconstruction & Streetscape	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





**LINK Bus
Rapid Transit**

The image is an aerial photograph of a city, likely St. Paul, Minnesota, with a green line representing the LINK Bus Rapid Transit route. The route starts on the left, runs horizontally across the middle, and then turns south on the right side. Various landmarks and areas are labeled with text and green callouts. The Mississippi River is visible on the far right. The map shows a mix of urban development, green spaces, and infrastructure like highways and bridges.

Gonda
Building

Chateau
Theater

Mayo
Civic
Center

St. Marys

Sanitary Sewer
Bypass

Riverfront
Small Area
Plan

Discovery Walk

6th Street
Bridge

**Soldiers
Field**

Riverfront Small Area Plan



Project Background

- City owned site with land on east and west side of the river
- Primarily parking (east) and vacant building (west) with a parking ramp
- Urban design firm Gamble and Associates selected in fall 2021
- Preferred plan presented to City Council and approved 7-0 in July 2022



A new “front door” for the city:

- Enhanced River Trail connections
- 2.5 acres new passive and active open space
- 500,000 - 700,000sf of new mixed-use development on multiple sites
- Ground floor, small-scale, commercial space for local, entrepreneurial activities and market space
- Enhanced relationship to historic Broadway buildings
- Increased tree canopy and native plantings
- Direct connection into the future district power grids



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



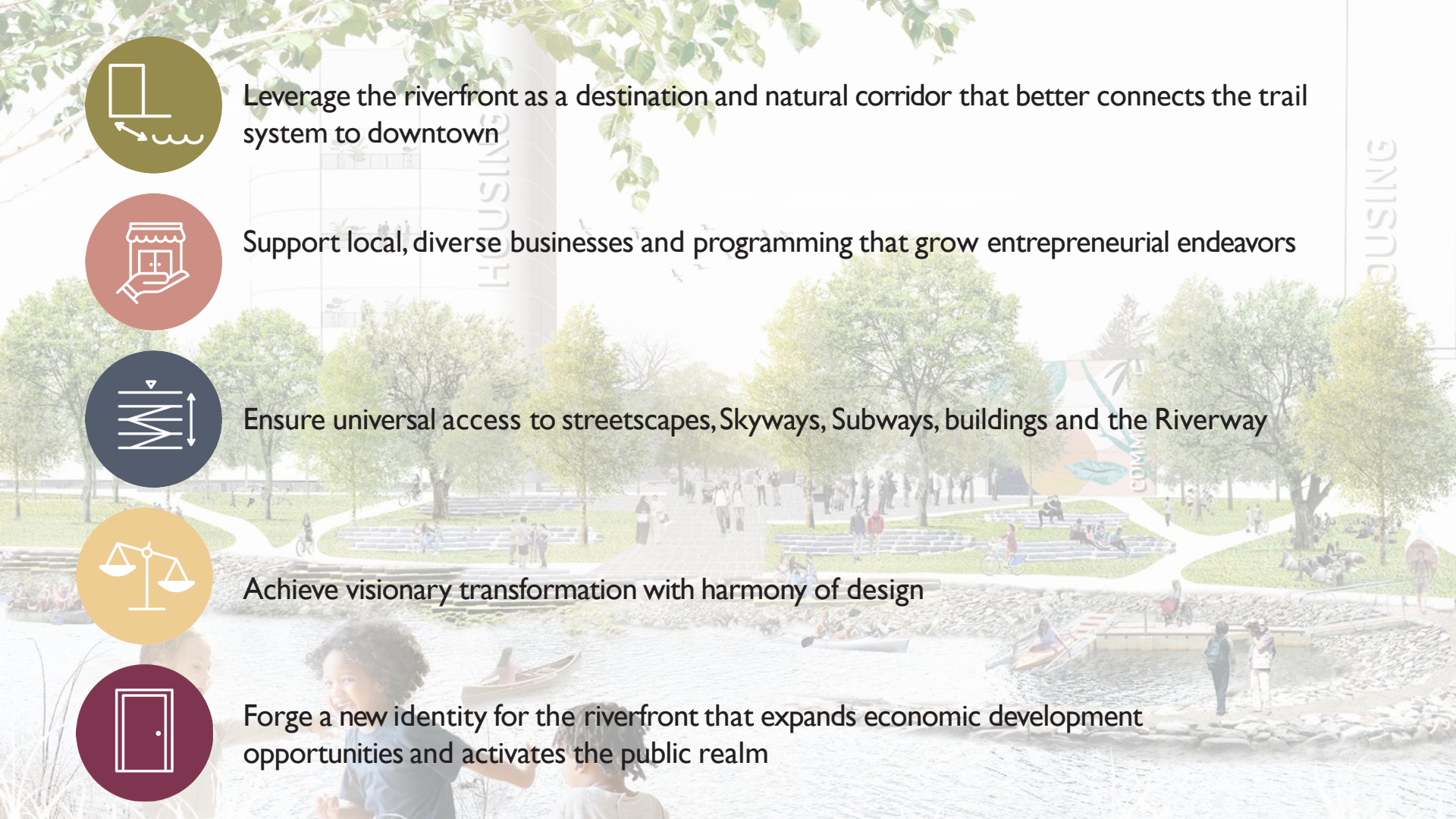
Ensure universal access to streetscapes, Skyways, Subways, buildings and the Riverway



Achieve visionary transformation with harmony of design

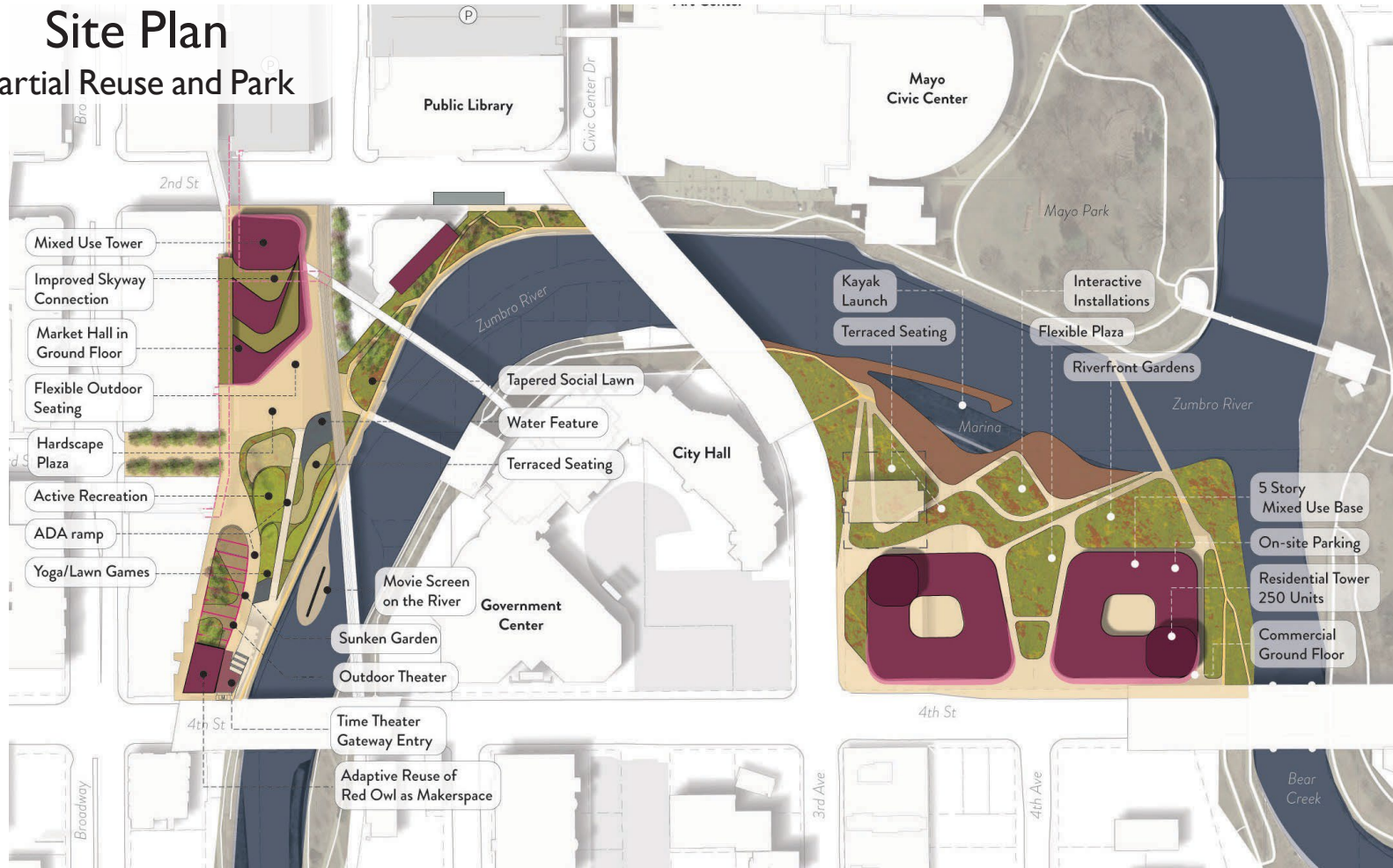


Forge a new identity for the riverfront that expands economic development opportunities and activates the public realm



Site Plan

Partial Reuse and Park



Financial Considerations

- Total Site Area: **5.5 acres (East + West)**
- Total New Open Space: **2.5 acres (Active + Passive)**
- Total Potential Development: **500,000-700,000 sq ft**

ADD RENDERING VIEW(S) HERE

Recommended Next Steps:

- Interim Activation - partnership with RDA
- Advance flood wall work with Army Corps of Engineers
- Due diligence analysis of Red Owl/Time Theater Building
- Continue conversations with County regarding Mr. Muffler site understanding their longterm needs and impact on the site
- East Site: site preparation
- Helping to craft RFQ/RFP

PUBLIC REALM

Outcome: Achieve DMC investment and experience goals

2023 Budget: \$13,720,000

Investments include:

- Discovery Walk (Completion)
- Chateau Theatre (Continuation)
- Soldiers Field improvements (New)
- Riverfront development (Preparation)



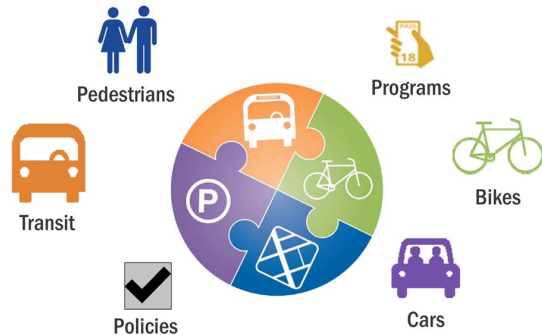
MOBILITY

Outcome: Achieve DMC workforce and experience goals

2023 Budget: \$17,702,013

Investments include:

- Link rapid transit development
- Second Street SW reconstruction



STRATEGIC DEVELOPMENT

Outcome: Targeted public investments necessary to secure extraordinary private investment

2023 Budget: \$3,000,000

Possible investments:

- Bio-med-tech
- Small- and medium-scale redevelopment
- Development along the Rapid Transit Corridor



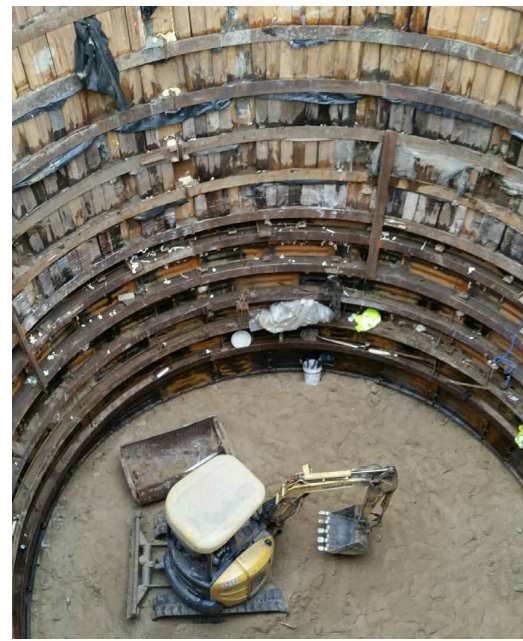
STREETS AND SEWERS

Outcome: Build the public infrastructure necessary to support and enable economic activity and investment

2023 Budget: \$1,050,000

Investments include:

- 6th Street Bridge (design)
- Sanitary sewer improvements



FUTURE PLANNING AND DECISION POINTS

Through 2024 and beyond:

- Riverfront (6th St. Bridge, river access, infrastructure)
- West Transit Village
- Major Development Projects (TBD)
- Discovery Labs (simulation lab, wet lab, maker space)
- Wayfinding and neighborhood connectivity
- Smart City digital infrastructure
- Heart of the City Phase 2
- Downtown facilities/bathrooms-showers
- Opportunities associated with Mayo Clinic 5 Year Capital Plan
- Energy Infrastructure



DMC 2020-2024 BUDGET FRAMEWORK

	Framework Adopted in 2020	Actual
Public Realm	\$35-\$50M	\$40.2M
Mobility	\$60-\$75M	\$59.8M
Strategic Redevelopment	\$20-\$45M	\$23.3M
Streets and Sewers	\$35-50M	\$44.9M
Operations	\$15-\$20M	\$19.2M
<u>TOTAL</u>	\$200M +/-	\$187.4M



OPERATIONS

Outcome: Support the organizational and programmatic activities necessary to implement the DMC development plan

2023 Budget: \$3,925,122

- DMC Corp. expenses
- DMC EDA operating budget
- City of Rochester administrative costs
- DMC City project management expenses



DMC EDA RESPONSIBILITIES

DEFINED IN MN STATUTE

A. **Development Marketing, Planning, and Promotion**, including:

- Implementing the development plan, including soliciting development proposals for development...
- Seeking financial support for the DMCC, the City, and projects
- Comprehensive marketing program to global interests
- Preparing and supporting the marketing and promotion of DMC
- Partnering with others...in joint efforts to promote economic development
- Administering the planning and development activities required to implement the development plan

B. **Development Services**, including:

- Evaluating and underwriting development proposals
- Providing transactional services in connection with approved projects
- Facilitate the sale, lease, or other transactions involving land and real property
- Assist in applications for federal grants, tax credits, and other sources of funding to aid development

c. **Outreach and Communications**, including:

- Developing patient, visitor, and community outreach programs
- Preparing and implementing a program for community and public relations



Business Recruitment and Development

WE ARE HERE

Community Development

- Infrastructure
- Real Estate
- Quality Of Life
- Education
- Housing
- ED Capabilities

Research

- Audience(s)
- Awareness
- Perceptions
- Messaging
- Competition

Awareness Building

- Industry Ecosystem
- Financial Tools
- Sites & Buildings
- Competitive Position
- Strengths/Weaknesses

Deal Flow

- Relocations
- External Expansion
- Internal Expansion
- Retention

Project Wins

- New Jobs
- New Investment
- Increased Spending

New Tax Revenue

- Income (C&P)
- Property
- Sales

Business Recruitment and Development

Awareness Building

- Segment Audiences
- Build Messaging
- Identify Opportunities
- Increase Frequency

80%

Goals: 1+ Engagement/Month,
Increased Awareness and
Improved Perception (2024 Study)

Direct Lead Generation

- Improve CRM Systems
- Refine Processes
- Build Efficiency
- Perfect Targeting

10%

Goals: 150 Leads, Higher
Conversion Rates (5%+),
Improved Pathing at Mayo

Research & Data

- Develop Materials
- Increase Internal Capacity
- Prepare for Deal Flow
- Build a Research Team

5%

Goals: Develop Industry Specific
Content (CRM, ADX), Develop
Economic Development Profile

Project Management

- Build Capacity
- Develop Process
- Identify Partners
- Build a Vocabulary

5%

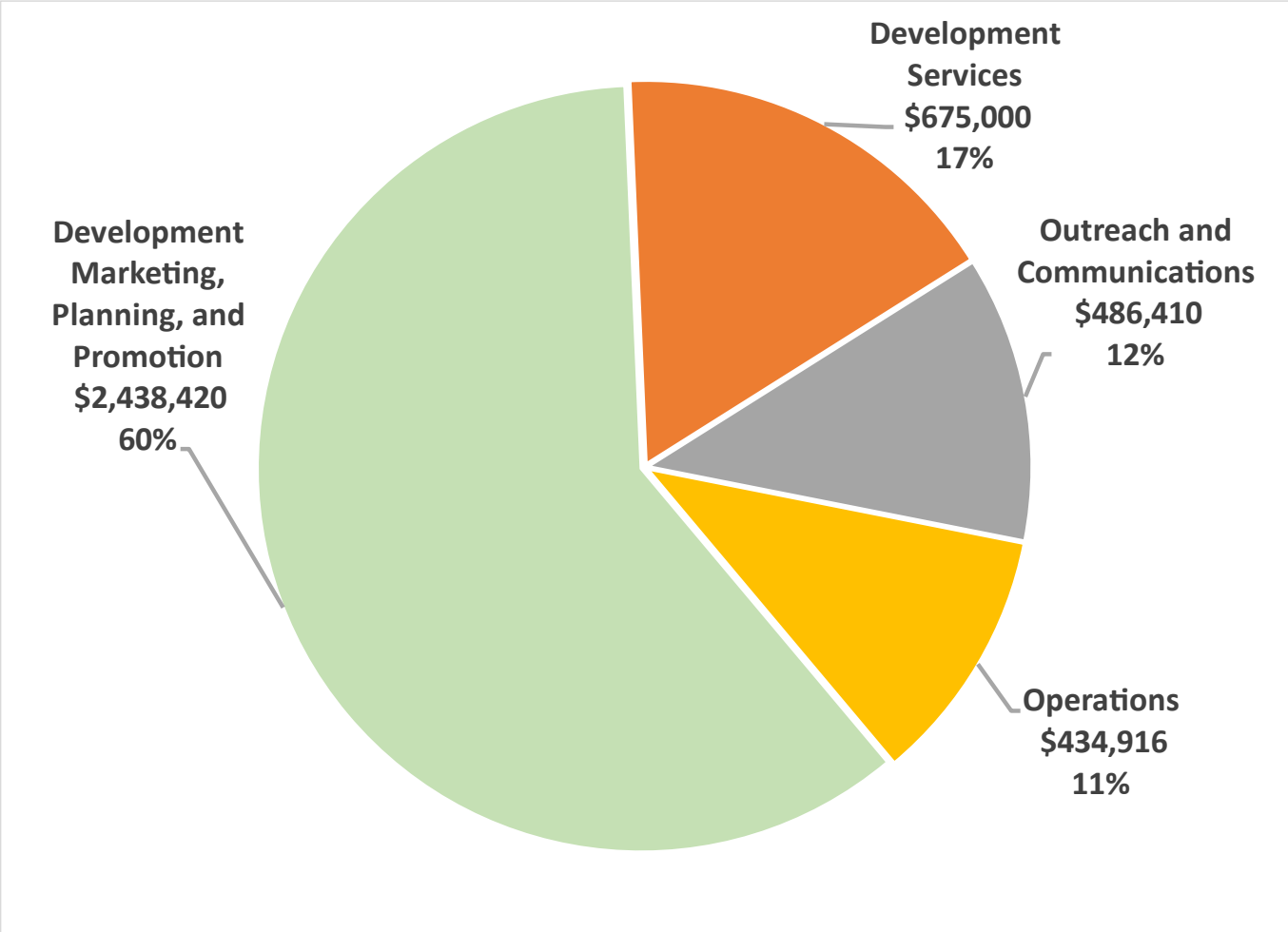
Goals: Develop Project
Management and Engagement
Processes, Build Internal Capacity



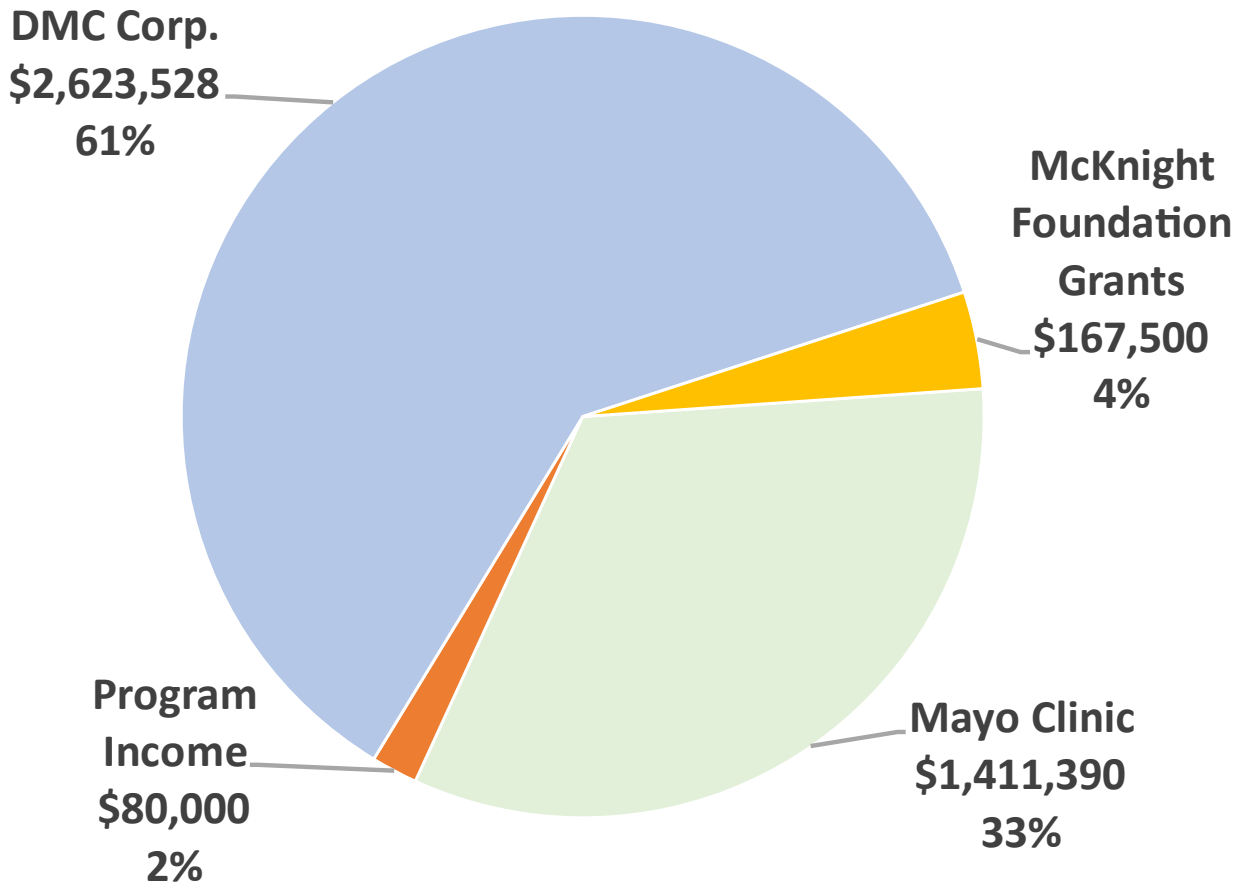
Business Recruitment and Development

Initiative	Date	Location	Partner
Industry			
Arab Health 2023	Feb 2023	Dubai	DEED
Building Owner & Manager Association - Healthcare/Medical Office	April 2023	Chicago	Mortenson
International Society for Cell & Gene Therapy	May 2023	Paris	Mortenson
BIOMed Israel	May 2023	Tel Aviv	TBD
BIO International	June 2023	Boston	DEED
SelectUSA	June 2023	Washington DC	DEED
Collision Canada	June 2023	Toronto	Medical Alley
AdvaMed	September 2023	San Diego	DEED
Meeting on the Mesa	October 2023	San Diego	Mortenson
MEDICA	November 2023	Germany	DEED
HLTH	November 2023	Las Vegas	TBD
Unplanned Opportunity #1 (1)	TBD	TBD	TBD
Unplanned Opportunity #2 (1)	TBD	TBD	TBD
Site Selection			
Site Selector's Guild - Annual Meeting	March 2023	San Antonio	DEED
Site Selector's Guild - Fall Forum	September 2023	TBD	DEED
Area Development Consultant Forum	June 2023	TBD	DEED
Area Development Consultant Forum	December 2023	TBD	DEED
DEED Market Event #1	TBD	TBD	DEED
DEED Market Event #2	TBD	TBD	DEED
In-Market			
Innovators and Investors Forum	TBD	Rochester, MN	
Foreign Delegation Hosting	TBD	Rochester, MN	DEED/Medical Alley
Business Development Forum Hosting	TBD	Rochester, MN	RAEDI
Site Selector's Guild Advisory Forum - Life Science focus	TBD	Rochester, MN	RAEDI
Mayo Center for Individualized Medicine Conference	November 2023	Rochester, MN	Mayo
Digital			
Website - Site Selection and Corporate Recruitment			
LinkedIn Ad buy - targeting SSC and life science CEO's			

2023 DMC EDA BUDGET USES



2023 DMC EDA BUDGET SOURCES



WORKING CAPITAL LOANS

DMCC: \$1,000 loan

EDA: \$100,000 loan



Key Takeaways

The **Capital Improvement Program** discussion highlights:

- Projects we're finishing (e.g., Discovery Walk)
- Projects approved and underway (e.g., Rapid Transit)
- Projects previously discussed and ready for action (e.g., Soldiers Field, 6th St. bridge)
- Projects on the horizon (riverfront, Discovery Labs, smart city infrastructure)

The **workplan and operating budget** discussion highlights:

- Added capacity for business development and lead generation
- Resources to fulfill DMCC board expectations for advancing equity, sustainability, affordability, community engagement, and health
- Capacity-building within the City of Rochester

Heart of the City



Items to Cover

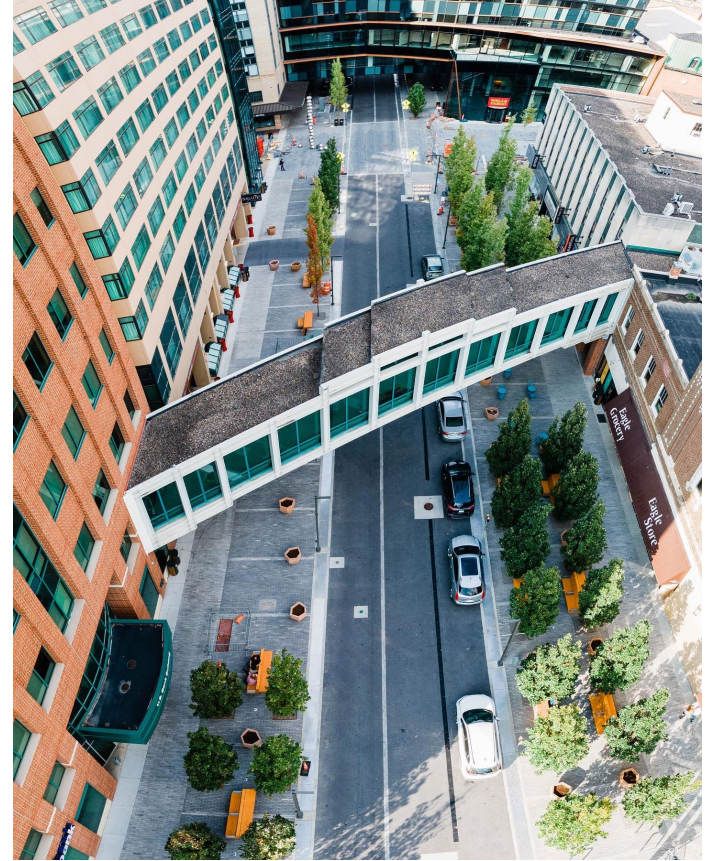
- Project update
- Community response
- Business response
- Community critiques
- Key lessons
- Post-occupancy analysis



Heart of the City Phase 1 Update

Items to be complete:

- Catenary light system
- Continued evaluation



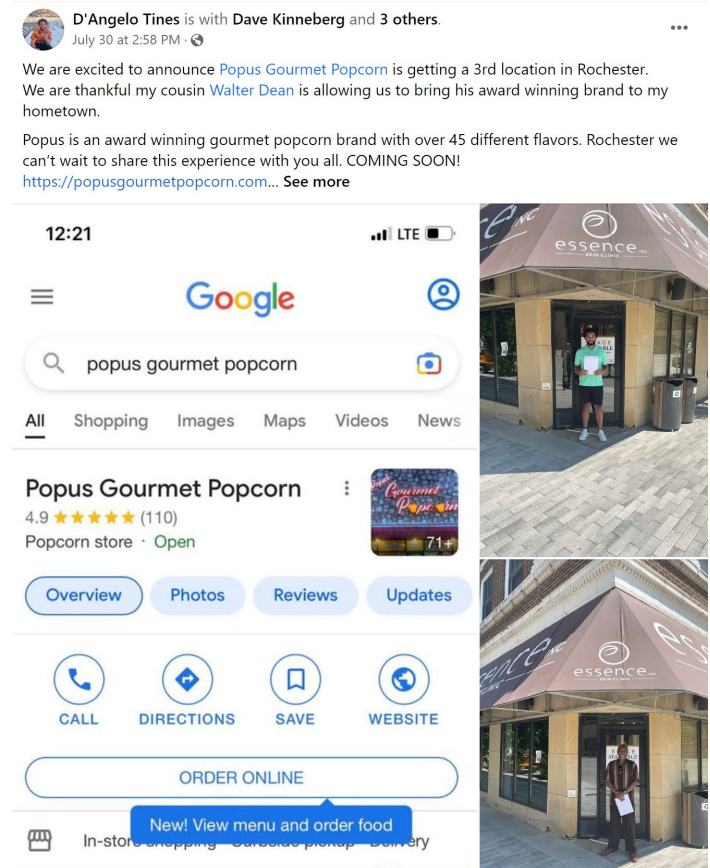
Community Response

- Chateau activation
- Daily programming
- Start-up grants
- Organic activation



Business Response

- Return of businesses
 - Moka
 - Primp
- New businesses
 - Ole Brick House
 - Opa!
 - Popus Popcorn
 - Hope Central



Community Critiques

- Lack of green space
- Raised lettering
- Wakefield
- Public restrooms
- Costs
- Tree locations



Key Lessons Learned

- Business Forward Strategy
- Community input
- Project lifecycle



Post Occupancy Analysis

Public Life Health Check

Timeline:

- Gehl in Rochester week of Sept 19
- Analysis and results late October



Discovery Square



DMC

Destination Medical Center
Rochester, MN

Discovery Walk

Construction

- Phase 1 (500 and 400 block) street and sidewalks scheduled for completion this year.

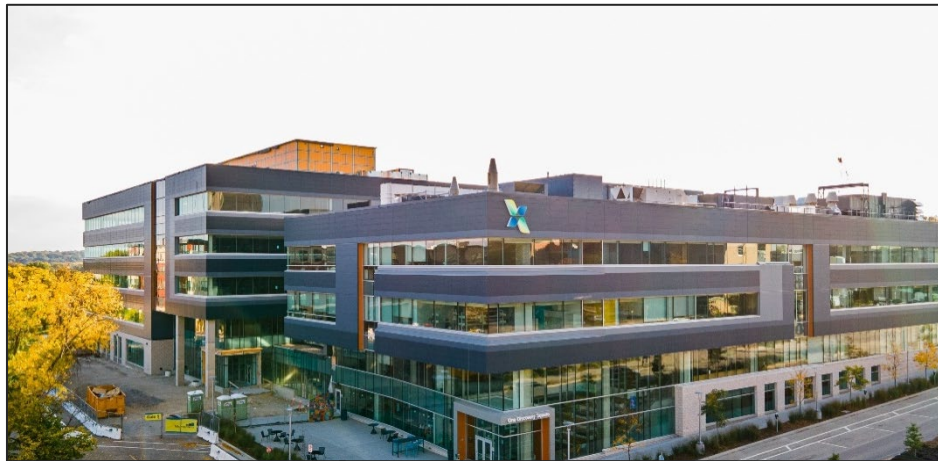
Business Forward

- Weekly touchpoints with businesses, bi-monthly stakeholder meetings.
- Community “Big Dig” event on Sept. 17



Economic Development

- Mayo Clinic Kellen building
 - Construction activities expected to be complete by Q3 2024.
- Mayo Clinic 1,200 stall parking ramp under construction
- Two Discovery Square
 - Mayo Clinic and National Resilience announce a strategic collaboration to be in Two Discovery Square.
 - Other proposals in the pipeline.
 - Lead generation engine ramping up (separate presentation)



Business Recruitment & Infrastructure Development

- ***Infrastructure investments in One and Two Discovery Square*** have created recruitment opportunities for well capitalized life sciences businesses.
- ***Infrastructure to support startups is necessary***, based on community input, feedback from businesses, and market comps.



Discovery Labs – Life Science Infrastructure

- Infrastructure for technology, workforce and economic development
 - Laboratory space
 - Maker space
 - Simulation lab
- Objectives of this effort:
 - Critical infrastructure for business recruitment
 - Attract startups and the follow-on economic impacts
 - Workforce development
 - A resource for businesses and the community



Discovery Labs – Wet Lab Infrastructure

Low-cost laboratory space for startups

- Shared laboratory space
- Low-cost-of-entry
- Access to shared equipment and support services

“Non-institutional shared lab space is critical for launching and growing life sciences companies”

Jean-Marc Juteau, Commissioner, BioTech City,
Laval, Quebec.



Discovery Labs – Maker Space Infrastructure

Where inventors solve problems with technology

- Equipped with technology such as 3D printing, app development, electronics, and AR/VR
- Available for tech clubs



Discovery Labs – Simulation Lab Infrastructure

Simulated healthcare space for advanced workforce training

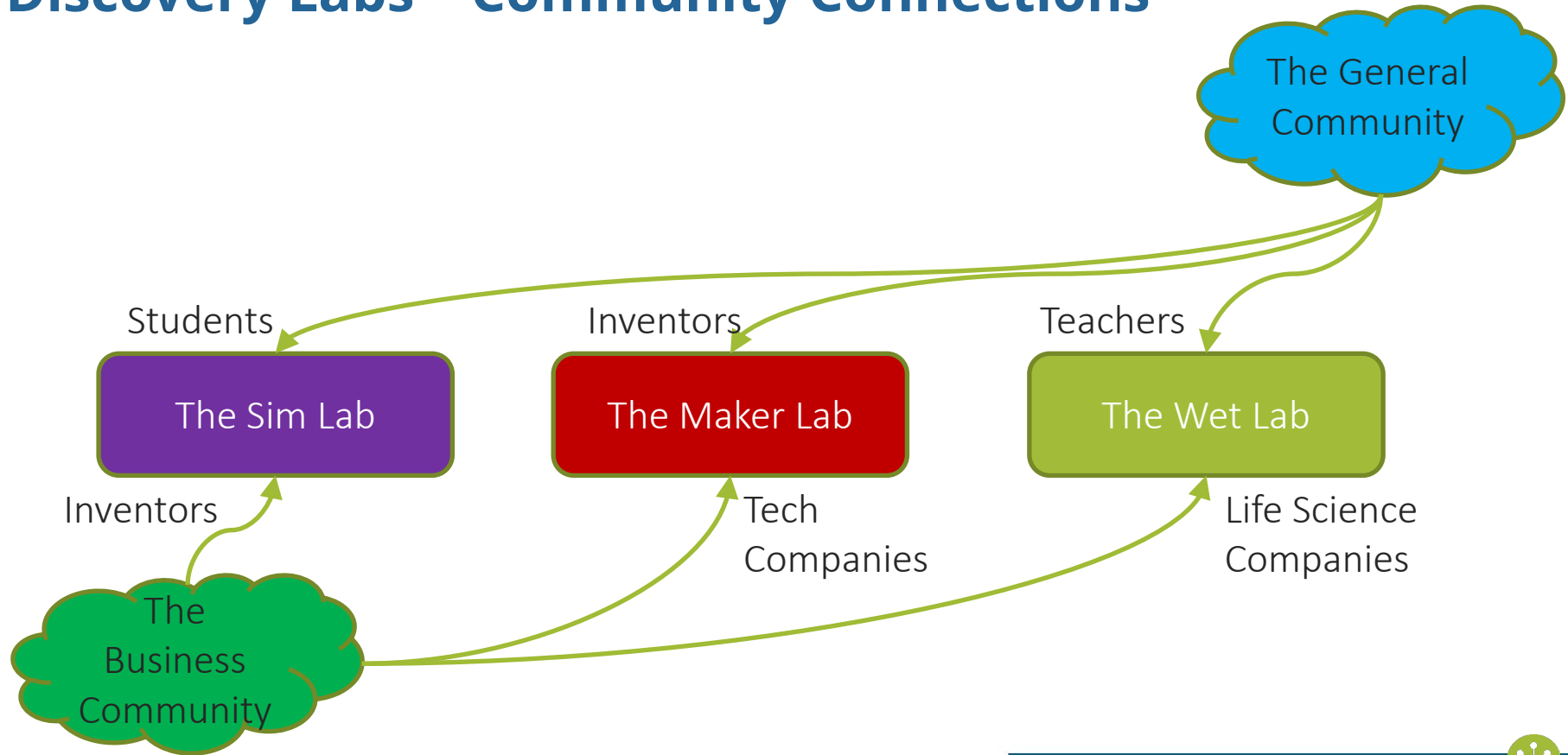
- Student training in simulated healthcare space.
- Flexible enough to be a medical office, a surgical suite, or an outpatient procedure room.
- Uses live actors, life-like mannequins and AR/VR tech.
- Tech companies use the Sim Lab to beta test new products.



“The shortage of healthcare workers creates an urgent need for training space to increase enrollment. Perfecting skills in a Sim Lab prior to working with patients is essential.” Jeannine Gangeness, Associate Vice President, Winona State University Rochester



Discovery Labs – Community Connections



Next Steps – Develop Life Science Infrastructure Strategy

- Determine market demand
- Identify partner organizations – industry, education, non-profits
- Develop business and operating models
- Identify capital investments needed
- Understand operations and maintenance costs
- Identify operating entities



Mobility



DMC

Destination Medical Center
Rochester, MN

Recent Milestones



- East end **realignment**:
 - Design was completed
 - New route approved by DMCC Board and City Council (7-0)
 - re-submittal of the Small Starts application was made on August 26, 2022
- Mayo and the City of Rochester have agreed to terms and conditions for **operation** of the system:
 - 20-year initial term
 - Mayo's financial support will cover the annual local match for operating costs
 - All riders will be able to use the system fare-free
 - Includes performance metrics and remedies

Upcoming Milestones



Upcoming BRT Milestones:

- The recently selected 6 artists (3 local, 3 national) will develop the public art component of the project
- Complete key state and Federal environmental reviews and risk assessments (mid-2023)
- Finalize vehicle design and place order 4Q 2023
- Construction Start Q4 2023
- Opening Day Q2 2026

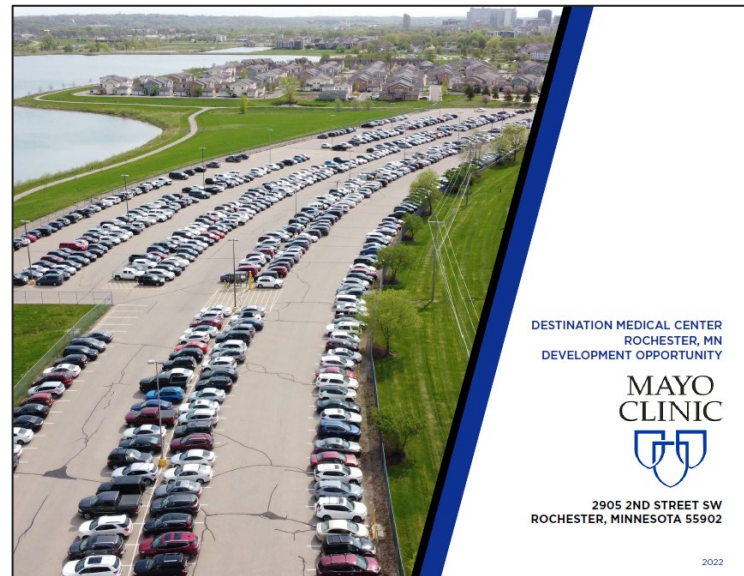
Other Mobility Updates

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



West Transit Village

- NTH to run a developer selection process with Mayo
- Request for Qualifications
- Shortlist
- Request for Proposals
- MOU



Rochester Community Housing Update



**Why are
we here
today?**

Provide an update on the
community's and DMC
EDA's housing progress



AGENDA

What are we going to cover?

- Refresh on community housing needs
- Community housing strategy update
- DMC EDA Housing Workplan update



What is the communities' experience?

"There aren't enough affordable options."

"Where are different housing options? I'd like a condo..."

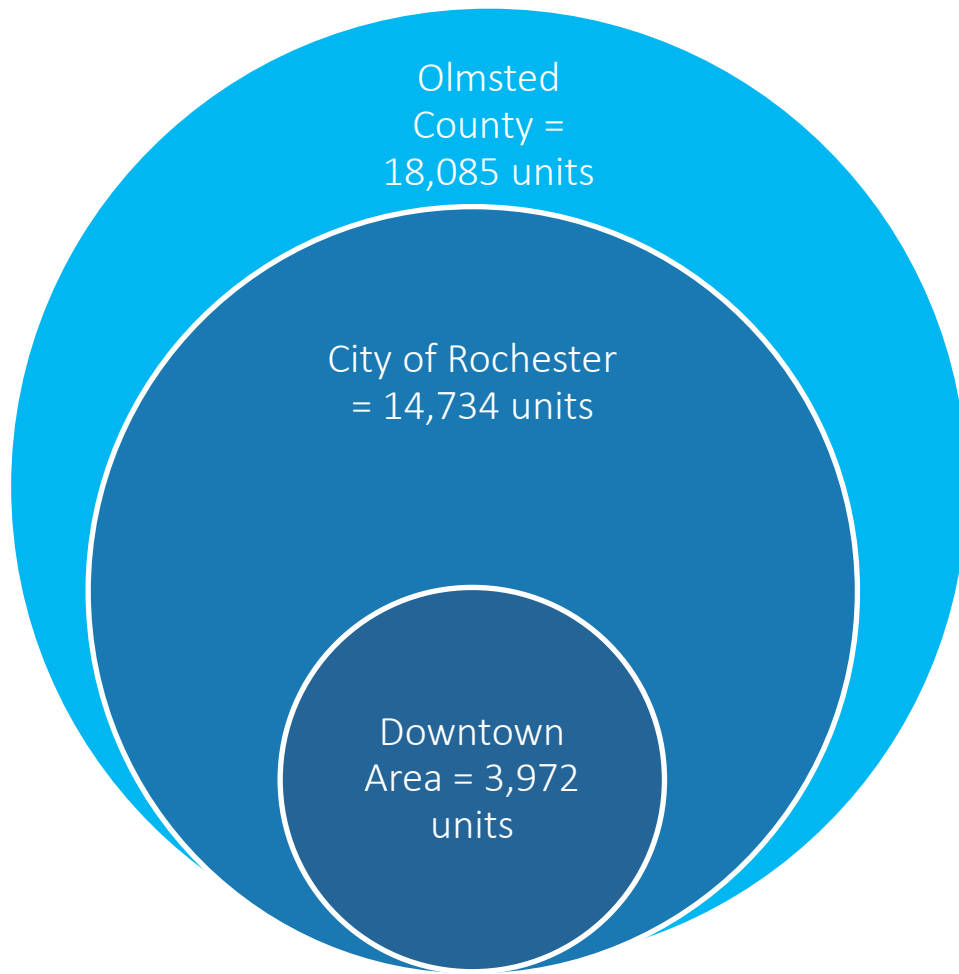
- Olmsted County 2022 Resident Survey Results:

- Lack of housing identified as highest rated problem by community

- City of Rochester 2022 Community Perception Survey Results:

- Confirmed County results where housing variety, and availability of affordable options were lower than peer communities and rated highly as community issue





What are our communities' housing needs by 2030?



Housing Coalition: Maxfield Report Priorities

1. Create new homeownership opportunities
2. Increase homeownership for People of Color
3. Create housing for people at 50% AMI or less
4. Enhance housing options for seniors
5. Preserve our affordable housing stock



Increase Home Ownership Opportunities

- Coalition approved \$2M for 30 new Community Land Trust homes
- Adding 8 homes currently in various stages of completion

Increase BIPOC Homeownership

- 2022 Community Co-design starting in Sept 2022

Enhance Senior Housing Options

- 2021 Community Co-design
- 2022 RFP for Senior Housing
- 2022 – County HRA Mayowood submitted for LIHTC

Create 30-50% and below Rental Options

- 103+ units completed since completion of Maxfield Report
- ~175 units at some level of affordability since 2020 in progress

Preserve Naturally Occurring Affordable Housing

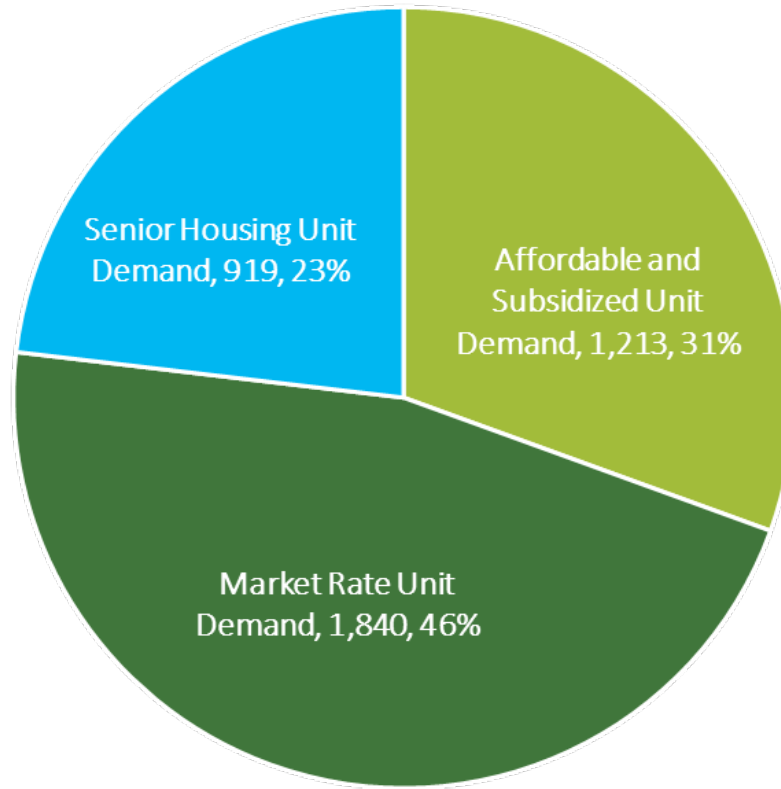
- Coalition working on a preservation strategy analysis and recommendations for policy makers



DMC EDA Downtown Housing Workplan Update



Downtown Housing Unit Demand by 2030

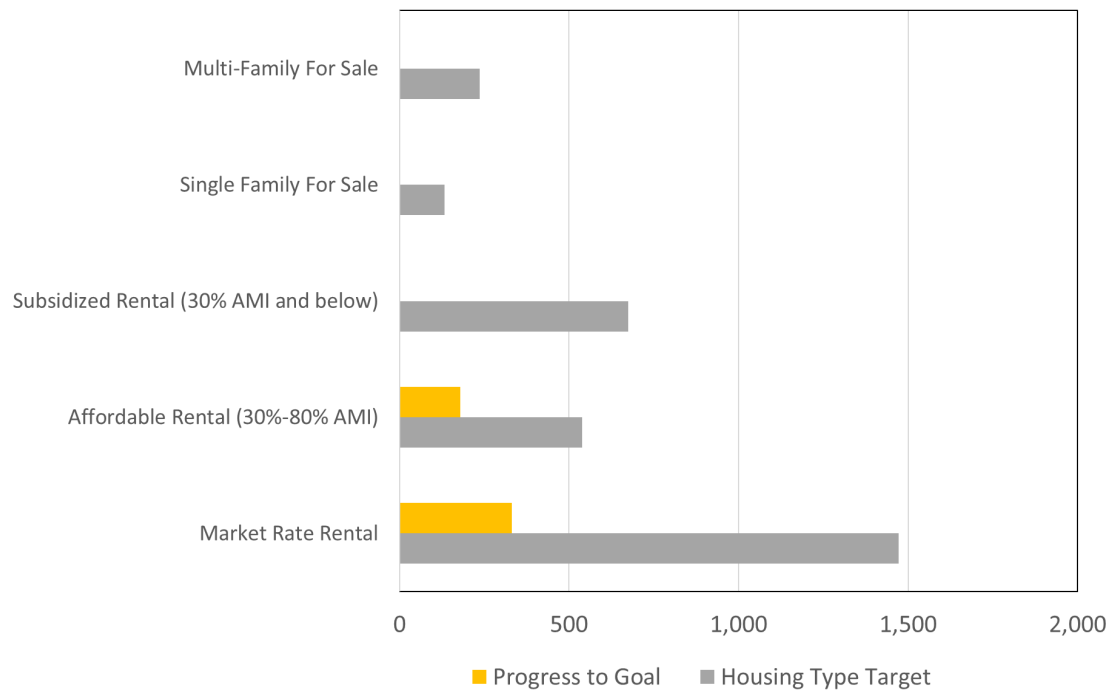


Housing as Infrastructure

1. Create more living opportunities for all incomes
2. Supply and diversification is a talent attractor
3. Enhances downtown vibrancy
4. Supports transit ridership
5. Supports more diverse retail, dining and entertainment options



Downtown General Occupancy Housing: Progress to 2030 Target



- Since Q2 2020 - present, there are 511 units in progress
- Demonstrated needs for other downtown general occupancy types and senior housing
- From 2015 – 2020: ~1,150 downtown units added



Five Components of Housing Strategy

Introduce new developers to the
Rochester market

Collaborate with local partners

Establish a path to downtown
housing unit demand

Learn best practices and
innovative approaches

Establish staff and budget
resources



Strategy 1: Introduce New Developers to the Rochester Market

- Rochester Housing Summit
 - Over 150 people/organizations attended
- Host Developer Site Visits
 - Seven (7) new housing developers hosted in 2022 thus far
 - Focused engagement with diverse developers
- Nation-wide Housing Developer Recruitment
 - Progresses with local and state partners



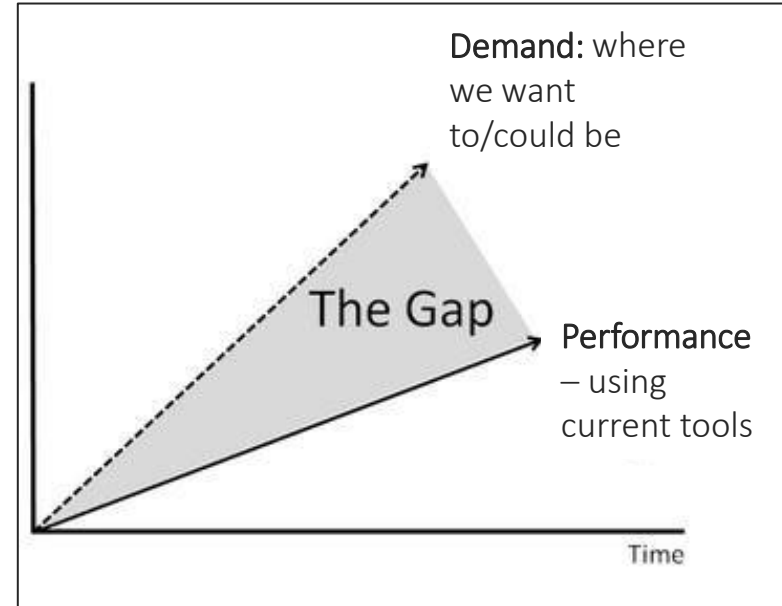
Strategy 2: Collaborate with local partners

- Join Coalition for Rochester Area Housing
 - Invited in late 2021
 - Established regular meetings with staff members
 - Establishing collaboration agreements, funding processes and structure
- Development Project Data Reporting
 - In progress



Strategy 3: Establish a path to meet unit 2030 downtown unit demand

- Develop a prioritized policy and financial framework to reach the city-wide housing unit demand analysis
 - Analysis will research other markets and will identify:
 - Tools to accelerate housing development
 - Impact of tools towards goals
 - Next Steps:
 - To be completed by first quarter 2023



Strategy 4 : Learn best practices and innovative approaches

- Attend best practice sharing opportunities
 - ULI National Housing Conference
 - MN Housing Summit
 - Greenbuild
- Identify innovate housing approaches and developers
 - Home ownership in multifamily developments
 - Sustainability approaches
 - Prefabricated construction
 - Cooperative development



Gosmartbricks.com



An aerial photograph of a city skyline, likely St. Louis, Missouri, featuring a river, train tracks, and various urban buildings. The image is partially obscured by a white diagonal shape that serves as a background for the text.

DMC Corporation Board of Directors Meeting

Thursday, September 22, 2022

