



DMC
Destination
Medical Center

Destination Medical Center Corporation
Board of Directors Meeting

Thursday, September 28, 2023
9:30 A.M.

DESTINATION MEDICAL CENTER CORPORATION (DMCC) SPECIAL BOARD MEETING

Thursday, September 28, 2023, 9:30 A.M.

Two Discovery Square, 415 2nd Ave. SW, Rochester, MN

To View the Meeting Remotely: <https://www.youtube.com/@DestinationMedicalCenter>

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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 28th. Written comments may also be submitted to info@dmc.mn.

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DESTINATION MEDICAL CENTER CORPORATION (DMCC)
BOARD MEETING

Thursday, May 25, 2023
9:30 A.M.

MINUTES

- I. Call to Order. Chair Pamela Wheelock called the meeting to order at 9:30 a.m.
- II. Roll Call. Doug Baker, James Campbell, Council President Brooke Carlson, Mayor Kim Norton, R.T. Rybak, Commissioner Mark Thein, and Chair Pamela Wheelock were present.
- III. Approval of Agenda. Mayor Norton moved to approve the agenda, revised to remove Resolution C from the consent agenda. Council President Carlson seconded the motion. Ayes (7), Nays (0). Motion approved.
- IV. Approval of Minutes: February 9, 2023. Mr. Baker moved to approve the February 9, 2023 minutes. Commissioner Thein seconded the motion. Ayes (7), Nays (0). Motion approved.
- V. Public Comment. Al Lun, Rochester resident, described the value of metrics and requested updates to website dashboards. Erin Sexton, Director of Enterprise Community Engagement at Mayo Clinic, discussed the 2023 legislative session, affirmed Mayo Clinic's support for nurses, and noted on-going discussions for strategic investment in the DMC Development District. D'Angelo Tines, owner/operator of Popus Gourmet Popcorn, discussed the positive impacts of his grant award from the Main Street Economic Revitalization Program.
- VI. Chair's Report. Chair Wheelock described several Board agenda items, including the DMCC audit and 2024 budget and work plan priorities discussion.
- VII. Election of Officers and Appointments.
 - A. Election by Board. DMCC Counsel Brennan opened the floor for officer nominations. Mr. Campbell nominated Pamela Wheelock for Chair, Mayor Norton for Vice Chair, and Commissioner Thein as Treasurer. No other nominations were presented. Ayes (7), Nays (0). Motion approved.
 - B. Appointment by Chair. Chair Wheelock appointed Paul Williams to the office of Board Secretary and Dale Martinson to the office of Assistant Treasurer. She reserved appointment of this office following Mr. Martinson's expected retirement.
- VIII. Resolution C: Commending Dale Martinson, Assistant Treasurer. Mayor Norton expressed appreciation for Mr. Martinson's dedication and hard work. She moved approval of Resolution C. Council President Carlson seconded the motion. Ayes (7), Nays (0). Motion approved.

IX. Consent Agenda.

- A. April 1 Report to DEED.
Resolution A: Ratifying and Confirming the April 1, 2023 Certification to DEED Pursuant to Statute.
- B. Revisions to Bryk on Broadway Apartments Project.
Resolution B: Ratifying and Confirming Revisions to the Bryk on Broadway Apartments Project.
- C. DMCC 2023 Budget Year-to-Date Update.
- D. 2022 Capital Improvement Plan (CIP) True-Up and Update.
- E. DMCC Data Practices Act Policy.

Commissioner Thein moved approval of the consent agenda. Mayor Norton seconded the motion. Ayes (7), Nays (0). Motion approved.

- X. DMCC Audit for Year Ending December 31, 2022. Craig Popenhagen, CliftonLarsonAllen, presented the audited financial statements. He noted the highest level of assurance; no audit findings, internal controls, or Minnesota legal compliance findings were reported. Mayor Norton moved to accept the financial statements and audit results. Mr. Baker seconded the motion. Ayes (7), Nays (0). Motion approved.
- XI. EDA Board President Comments. Dr. Clark Otley, DMC EDA President, described the ongoing administration of the Main Street grant program.
- XII. DMC Metrics. Catherine Malmberg, DMC EDA Director of Public Infrastructure and Development Strategy, presented a private investment update. She explained previous investment by Mayo Clinic and other private investment, current market demand drivers, and existing market challenges.
- XIII. Discussion Items (City of Rochester, EDA).
 - A. Discovery Square (Marketing/Lead Generation and Shared Lab Infrastructure). Michael Flynn, DMC EDA Senior Director of Economic Development, described current business recruitment priorities, work plan progress to-date, and maturing statewide partnerships. He also highlighted site visits to Rochester. Chris Schad, DMC EDA Director of Business Development, outlined a plan for “Discovery Labs,” shared, low-cost, short-term lab space.
 - B. District Energy (Potential Expansion of Downtown System). Kevin Bright, DMC EDA Director of Housing and Sustainability, provided an update on progress towards 2050 climate goals. He also described project staging and financing progress for the proposed downtown district energy system.
 - C. West Transit Village (Development Concepts). Ms. Malmberg discussed progress toward the development of the West Transit Village, including Mayo Clinic’s convening of a development team and multiple concepts for the overall site plan.

- D. Rochester Downtown Task Force (Action Plan and Next Steps). Jamie Rothe, DMC EDA Director of Community Engagement and Experience, Ryan Parsons, President of the Rochester Area Chamber of Commerce, and Kathleen Harrington, Interim Executive Director of the Rochester Downtown Alliance, described the Task Force findings and action plan.
- XIV. 2024 DMC Work Plan and Budget: Priorities/Points of Emphasis. Patrick Seeb, DMC EDA Executive Director, described the budget and work plan preparation timeline and priorities.
- XV. Adjournment. Mr. Baker moved to adjourn. Mayor Norton seconded the motion. Ayes (7), Nays (0). Motion approved.

1748791-3.DOCX

LIABILITY COVERAGE – WAIVER FORM

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

The decision to waive or not waive the statutory tort limits must be made annually by the member's governing body, in consultation with its attorney if necessary.

Members who obtain liability coverage from LMCIT must decide whether to waive the statutory tort liability limits to the extent of the coverage purchased. The decision has the following effects:

- *If the member does not waive the statutory tort limits, an individual claimant could recover no more than \$500,000 on any claim to which the statutory tort limits apply. The total all claimants could recover for a single occurrence to which the statutory tort limits apply would be limited to \$1,500,000. These statutory tort limits would apply regardless of whether the member purchases the optional LMCIT excess liability coverage.*
- *If the member waives the statutory tort limits and does not purchase excess liability coverage, a single claimant could recover up to \$2,000,000 for a single occurrence (under the waive option, the tort cap liability limits are only waived to the extent of the member's liability coverage limits, and the LMCIT per occurrence limit is \$2,000,000). The total all claimants could recover for a single occurrence to which the statutory tort limits apply would also be limited to \$2,000,000, regardless of the number of claimants.*
- *If the member waives the statutory tort limits and purchases excess liability coverage, a single claimant could potentially recover an amount up to the limit of the coverage purchased. The total all claimants could recover for a single occurrence to which the statutory tort limits apply would also be limited to the amount of coverage purchased, regardless of the number of claimants.*

Claims to which the statutory municipal tort limits do not apply are not affected by this decision.

LMCIT Member Name:
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 28, 2022

Signature: _____ Position: Chair

DESTINATION MEDICAL CENTER CORPORATION

AND

**DESTINATION MEDICAL CENTER ECONOMIC
DEVELOPMENT AGENCY**

REQUEST FOR PROPOSALS

FOR

PROFESSIONAL AUDITING SERVICES

For Audit Years 2023 through 2025

September 21, 2023

c/o McGrann Shea Carnival Straughn & Lamb, Chartered
800 Nicollet Mall, Suite 2600
Minneapolis, Minnesota 55402

DESTINATION MEDICAL CENTER CORPORATION
AND
DESTINATION MEDICAL CENTER ECONOMIC DEVELOPMENT AGENCY

REQUEST FOR PROPOSALS

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DESTINATION MEDICAL CENTER CORPORATION
AND
DESTINATION MEDICAL CENTER ECONOMIC DEVELOPMENT AGENCY

REQUEST FOR PROPOSALS

I. INTRODUCTION

A. General Summary of Proposal Request

The Destination Medical Center Corporation (“DMCC”) and the Destination Medical Center Economic Development Agency (“EDA”) are requesting proposals from qualified certified public accounting firms to audit their respective financial statements for the fiscal year ending December 31, 2023, with the option of auditing their respective financial statements for each of the two (2) subsequent fiscal years. This initial three (3) year term may be extended for an additional two (2) years. These audits are to be performed in accordance with generally accepted auditing standards and the standards set forth for financial audits promulgated by the Governmental Accounting Standards Board (“GASB”). The 2022 DMCC Financial Statements and Audit Report are available at <https://dmc.mn/wp-content/uploads/2023/09/Signed-Final-Report-and-Financial-Statements-Electronic-copy.pdf>.

There is no expressed or implied obligation for the DMCC or the EDA to reimburse responding firms for any expenses incurred in preparing proposals in response to this request.

To be considered, an electronic copy of a proposal must be received by Kaela Brennan at McGrann Shea Carnival Straughn & Lamb, Chartered, kmb@mcgrannshea.com by 4:00 p.m. on October 12, 2023. The DMCC reserves the right to reject any or all proposals submitted.

An audit proposal review committee consisting of representatives of the DMCC and EDA will evaluate proposals submitted.

During the evaluation process, the review committee and the DMCC reserve the right, where it may serve the DMCC’s best interest, to request additional information or clarifications from proposers, or to allow corrections of errors or omissions. At the discretion of the DMCC or the review committee, firms submitting proposals may be requested to make oral presentations as part of the evaluation process.

The DMCC reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in this Request for Proposals, unless clearly and specifically noted in the proposal

submitted and confirmed in the contract between the DMCC and the firm selected.

It is anticipated the selection of a firm will be completed by November 17, 2023. Following the notification of the selected firm it is expected a contract will be executed between both parties on or before December 20, 2023.

B. Term of Engagement

A three (3) year contract is contemplated, subject to the annual review and recommendation of the review committee, the satisfactory negotiation of terms (including a price acceptable to the DMCC, the EDA and the selected firm), and the annual availability of an appropriation. An additional two (2) year extension may be added to the initial term.

C. Subcontracting

If any subcontracting is to be done, that fact, and the name of the proposed subcontracting firms, must be clearly identified in the proposal. Following the award of the audit contract, no additional subcontracting will be allowed without the express prior written consent of the DMCC.

II. NATURE OF SERVICES REQUIRED

A. General

The DMCC and the EDA are soliciting the services of qualified certified public accounting firms to audit their respective financial statements for the fiscal year ending December 31, 2023, with the option to audit the DMCC's financial statements and the EDA's financial statements for each of the two subsequent fiscal years. These audits are to be performed in accordance with the provisions contained in this Request for Proposals. The RFP fee structure requires completion of individual audit costs for the DMCC and the EDA.

The intention of the DMCC and the EDA is for one qualified certified public accounting firm to perform both audits. To be considered, the proposal must include a cost proposal for the DMCC and the EDA, separately, as indicated in Exhibit D.

B. Scope of Work to be Performed

The DMCC and the EDA desire the auditor to express an opinion on the presentation of their respective financial statements and schedules in conformity with generally accepted accounting principles. The 2022 DMCC Financial Statements and Audit Report are available at <https://dmc.mn/wp-content/uploads/2023/09/Signed-Final-Report-and-Financial-Statements-Electronic-copy.pdf>. The auditor is not required to audit the supporting schedules in the comprehensive annual financial report. However, the auditor is to provide

an “in-relation-to” opinion supporting schedules based on the auditing procedures applied during the audit of the basic financial statements and schedules. The auditor is not required to audit the introductory or statistical section of the report.

In the event that federal financial assistance occurs, the auditor is not required to audit the schedule of federal financial assistance. However, the auditor is to provide an “in-relation to” report on that schedule based on the auditing procedures applied during the audit of the financial statements.

C. Auditing Standards to Be Followed

To meet the requirements of this Request for Proposals, the audit shall be performed in accordance with generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants, the standards for financial audits set forth by the Governmental Accounting Standards Board (“GASB”), and the provisions of the U.S. Office of Management and Budget (“OMB”) Circular A-133, Audits of States, Local Governments And Non-Profit Organizations.

D. Reports to be Issued

Following the completion of the audit of the fiscal year’s financial statements, the auditor shall issue the following reports for each of the DMCC and the EDA individually:

1. A report on the fair presentation of the financial statements in conformity with generally accepted accounting principles.
2. A report on compliance and internal control over financial reporting based on and audit of the financial statements.

In the required report[s] on internal controls, the auditor shall communicate any reportable conditions found during the audit. A reportable condition shall be defined as a significant deficiency in the design or operation of the internal control structure, which could adversely affect the organization’s ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements.

Reportable conditions that are also material weaknesses shall be identified as such in the report. Non-reportable conditions discovered by the auditors shall be reported in a separate letter to management, which shall be referred to in the report on compliance and internal controls.

The report on compliance and internal controls shall include all material instances of noncompliance. All material instances of noncompliance shall be reported in a separate management letter, which shall be referred to in the report on compliance and internal controls

Irregularities and illegal acts: Auditors shall be required to make an immediate, written report of all irregularities and illegal acts or indications of illegal acts of which they become aware to the DMCC Board of Directors and its General Counsel.

E. Presentation to the DMCC and EDA

A summary of the audit results shall be presented to the DMCC. For the EDA's individual audit, a summary of the audit results shall be presented to the EDA. In addition to relating general financial condition and significant changes from the prior year, auditors shall assure that both the DMCC and EDA are informed of each of the following:

1. The auditor's responsibility under generally accepted auditing standards
2. Significant accounting policies
3. Management judgments and accounting estimates
4. Significant audit adjustments
5. Other information in documents containing audited financial statements
6. Disagreements with management
7. Management consultation with other accountants
8. Major issues discussed with management prior to retention
9. Difficulties encountered in performing the audit
10. Discussion of results for the current and at least the previous three years.

F. Additional Accounting Services

The City of Rochester, Minnesota (the "City") currently anticipates it may prepare one or more official statements in connection with the sale of debt securities that will contain the general purpose financial statements and the auditor's report thereon. The auditor shall be required, if requested by the fiscal advisor and/or the underwriter, to issue a "consent and citation of expertise" as the auditor and any necessary "comfort letters."

Throughout any given year, various issues may arise that require the expertise of an accounting firm, including assistance with or preparation of 1) Form 990, or other tax counsel and tax filing assistance; 2) an Annual Charitable Organizations Report as required by the Attorney General of the State of Minnesota; and 3) a procedures audit related to an annual certification of qualified expenditures to the Minnesota Department of Employment and Economic Development ("DEED"). The auditor will also prepare and submit all necessary IRS and Minnesota tax forms for the DMCC and EDA respectively. These inquiries and tasks would be billed at a proposed hourly rate as noted in Appendix D.

G. Working Paper Retention and Access to Working Papers

All working papers and reports must be retained, at the auditor's expense, for a minimum of six (6) years, unless the firm is notified in writing by the DMCC or the EDA of the need to extend the retention period. The auditor will be required

to make working papers available, upon request, to the following parties or their designees:

Destination Medical Center Corporation
Destination Medical Center Economic Development Agency
City of Rochester, Minnesota
State of Minnesota Legislative Auditor's Office
State of Minnesota, Office of the State Auditor
U.S. General Accounting Office (GAO)

In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

III. DESCRIPTION OF THE CORPORATIONS

A. Name and Telephone Number of Contact Persons/Organizational Chart

1. The auditor's principal contact with the DMCC will be Kaela Brennan, (612) 338-2525, kmb@mcgrannshea.com, who will coordinate the assistance to be provided by the DMCC to the auditor.
2. For the EDA's individual audit, the auditor's principal contact with the EDA will be Patrick Seeb, Executive Director, (507) 216-9720, patrickseeb@dmceda.org, who will coordinate the assistance to be provided by the EDA to the auditor.

B. Background Information

In 2013, the Minnesota Legislature enacted Minnesota Statutes, Sections 469.40 - .47 (the "Act,"), an initiative to secure Minnesota's status as a global destination medical center highlighting the Mayo Clinic (the "DMC Initiative"). The Act directed the City of Rochester, Minnesota (the "City") to establish the DMCC as a Minnesota non-profit corporation.

Under the Act, the State of Minnesota authorized up to Five Hundred Eighty-Five Million Dollars (\$585,000,000) of public funding and incentives for public infrastructure projects to support private investment by the Mayo Clinic and other private developers in the City. At least \$200,000,000 in qualified private expenditures must be certified before the state infrastructure aid may be disbursed. The City must make a local matching contribution of \$128,000,000 of the costs of public infrastructure projects.

The DMCC serves as the governing body charged with overseeing the planning and implementation of the DMC Initiative. The DMC Initiative creates a process to consider and approve private and public projects within the development district to establish a premier destination medical center for the benefit of the City, and more broadly, Olmsted County, and the State of Minnesota. The

DMCC must prepare and adopt a master development plan to govern the DMC Initiative and must approve public and private projects.

The City duly created the DMCC as a Minnesota non-profit corporation in July, 2013. The DMCC is closely related to the City, Olmsted County, and the State of Minnesota, in that each of these government entities appointed individuals to the DMCC Board of Directors; each government entity is expected to provide funding to support the DMC Initiative; the DMCC must work with the City in preparing and adopting the Development Plan, which the City must also approve; and the City must provide financial and administrative support to the DMCC. The City serves as the fiscal agent of the DMCC. For the period 2013 to date, the City has provided all funding of the DMCC. The City also serves as Assistant Treasurer to the DMCC.

By statute, Mayo Clinic was required to establish and appoint the Destination Medical Center Economic Development Agency (the “EDA”) as a private corporation. The Act required the DMCC to engage the EDA to assist in preparing the development plan and to perform certain enumerated services. The DMCC reviews and approves the EDA budget and work plan on an annual basis. The DMCC also revises and approves the EDA expenses on a monthly basis.

In addition to the annual budget process, the City and DMCC have entered into a working capital loan agreement to provide working capital to the DMCC. The DMCC, in turn, has entered into a working capital loan agreement with the EDA, to provide working capital to the EDA.

The City and the State Auditor have the right to audit the financial records of the DMCC and the EDA. In addition, the DMCC must arrange an annual external audit and provide the results to the City.

C. Finance Operations

The DMCC has appointed Aaron Parrish, Deputy City Administrator for the City of Rochester, to act as Interim Assistant Treasurer of the DMCC. The City provides accounting, purchasing, and information systems service to the DMCC.

The City maintains its financial data utilizing Oracle/JD Edwards EnterpriseOne financial software. The EDA uses Quick Books financial software to provide appropriate accounting schedules and reports.

IV. TIME REQUIREMENTS

A. Proposal Calendar

The following is a list of key dates up to and including the date proposals are due to be submitted:

Request for proposals issued	September 21, 2023
Last day for proposals due to the DMCC	October 12, 2023

Possible interviews	October 25-27, 2023
DMCC approves award for contract	November 17, 2023
Selected firm notified	November 17, 2023
Completed contract signed by	December 20, 2023

B. Audit Timelines for 2024, 2025, 2026 (Audit Years 2023, 2024, 2025)

1. Detailed Audit Plan Required

The auditor shall provide to the DMCC and EDA a detailed audit plan by January 15 of each year. The detailed audit plan must include dates of entrance conferences, progress conferences, draft reports and exit conferences, along with a list of all schedules to be prepared by the DMCC or the EDA and the dates these schedules are required in order to meet the required timelines.

2. Fieldwork for Audit

The auditor shall complete all fieldwork by March 15.

3. Final Audit Reports

The auditor shall have the audit opinion and recommendations to management available to review by the DMCC and EDA by May 15.

4. Approximate 2023 Transaction Volumes

For reference for 2023 Audit Year: transaction volumes for the DMCC and EDA are in the approximate ranges set forth below:

- a. DMCC transaction volume in 2022:
 - i. One (1) bank account
 - ii. Fifty Four (54) checks written
 - iii. Twenty Nine (29) receipts received
 - iv. No accounts receivable
 - v. Seventy Four (74) accounts payable voucher documents
 - vi. No employees
 - vii. No fixed assets

The 2022 DMCC Financial Statements and Audit Report are available at <https://dmc.mn/wp-content/uploads/2023/09/Signed-Final-Report-and-Financial-Statements-Electronic-copy.pdf>

- b. EDA transaction volume in 2022:
 - i. Eighty (80) cash/revenue deposits to bank account
 - ii. Three Hundred Fifty Eight (358) check disbursements for expenses
 - iii. One (1) account receivable (from DMCC)
 - iv. Four (4) bank accounts
 - v. Thirty (30) vendors in accounts payable
 - vi. Twelve (12) employees
 - vii. Twenty (20) fixed assets.

C. Tax Filings.

The required federal and Minnesota tax filings must be timely filed.

V. ASSISTANCE TO BE PROVIDED TO THE AUDITOR AND REPORT PREPARATION

A. DMCC, EDA and City Finance Department and Clerical Assistance

The DMCC, EDA, and City finance department staff and responsible management personnel will be available during the audits to assist the firm by providing required schedules and reports, supplementary information, documentation and explanations. The auditor will prepare the consolidated statements or annual reports and assist in the review and finalization of this report.

B. Work Area, Telephones, Photocopying and FAX Machines

On behalf of the DMCC, the City will provide the auditor with reasonable work space, table, and chairs. The auditor will also be provided with access to the telephone, photocopying facilities, and FAX machines subject to long distance charges. On-line access to the DMCC or EDA's accounting records will be provided to the auditing firm during onsite field work activities via a networked personal computer.

On behalf of the EDA, the EDA will provide the auditor with reasonable work space, table, and chairs. The auditor will also be provided with access to the telephone, photocopying facilities, and FAX machines subject to long distance charges. On-line access to the EDA's accounting records will be provided to the auditing firm during onsite field work activities via a networked personal computer.

C. Report Preparation

The DMCC and the EDA expect that, due to limited staff, the selected audit firm shall prepare the consolidated statements or annual reports. In addition, preparation, editing and printing of all audit reports outlined in Section II.D. shall be the responsibility of the auditor.

VI. PROPOSAL REQUIREMENTS

A. General Requirements

1. Inquiries

Inquiries concerning the Request for Proposals and the subject of the Request for Proposals must be made to:

Kaela Brennan
kmb@mcgrannshea.com

or

Kaela Brennan
McGrann Shea Carnival Straughn & Lamb, Chartered
800 Nicollet Mall, Suite 2600
Minneapolis, MN 55402
612-338-2525

To assure consistent information shared with all proposers, all questions regarding this proposal should be directed only to Kaela Brennan.

2. Submission of Proposals

The following material is required to be received by October 12, 2023, at 4:00 p.m. for a proposing firm to be considered:

a. An electronic copy of the proposal to include the following:

i. Title Page

Title page showing the request for proposals subject; the firm's name; the name, address and telephone number of the contact person; and the date of the proposal.

ii. Table of Contents

iii. Letter of Transmittal

A signed letter of transmittal briefly stating the proposer's understanding of the work to be done, the commitment to

perform the work within the time period, a statement why the firm believes it is best qualified to perform the engagement and a statement that the proposal is a firm and irrevocable offer for fiscal years 2023-2025. Provide the names of the person(s) who will be authorized to make representations for the proposer, their titles, addresses and telephone numbers.

iv. Detailed Proposal

The detailed proposal should follow the order set forth in Section VI B of this request for proposals.

v. Executed copies of Proposer’s Guarantees and Proposer Warranties, attached to this request for proposal (Appendix B and Appendix C).

b. In addition, proposers should submit an electronic copy of a dollar cost proposal in a separate attachment marked as follows:

SEALED DOLLAR COST
PROPOSAL TO
THE DMCC AND EDA
FOR
PROFESSIONAL AUDITING SERVICES
2023 – 2025

c. The cost proposal should list separately the costs attributable to the DMCC audit and the costs attributable to the EDA audit.

Please note: in order to be considered by the review committee, the proposer must prepare a cost proposal for each of the DMCC and the EDA.

d. Proposers should send the completed proposal consisting of an email with two (2) separate attachments, clearly marked as the “Technical Proposal” and the “Sealed Dollar Cost Proposal” to the following address:

Kaela Brennan
kmb@mcgrannshea.com

B. Technical Proposal

1. General Requirements

The purpose of the Technical Proposal is to demonstrate the qualifications, competence and capacity of the firms seeking to undertake an independent

audit of the DMCC and the EDA in conformity with the requirements of this Request for Proposals. As such, the substance of proposals will carry more weight than their form or manner of presentation. The Technical Proposal should demonstrate the qualifications of the firm and of the particular staff to be assigned to this engagement. It should also specify an audit approach that will meet the request for proposals requirements.

THERE SHOULD BE NO DOLLAR UNITS OR TOTAL COSTS INCLUDED IN THE TECHNICAL PROPOSAL DOCUMENT.

The Technical Proposal should address all the points outlined in the RFP (excluding any cost information which should only be included in the sealed dollar cost proposal). The proposal should be prepared simply and economically, providing a straightforward, concise description of the proposer's capabilities to satisfy the requirements of the RFP. While additional information may be presented, the following subjects, items 2 through 10, should be followed. They represent the criteria against which the proposal will be evaluated.

2. Independence

The firm should provide an affirmative statement that it is independent of the DMCC and the EDA as defined by generally accepted auditing standards and the Governmental Accounting Standards Board.

The firm should also list and describe the firm's (or proposed subcontractors, if used) professional relationships involving the DMCC or the EDA, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed audit.

In addition, the firm shall give the DMCC written notice of any professional relationships entered into during the period of this agreement.

3. License to Practice in Minnesota

An affirmative statement should be included that the firm and all assigned key professional staff are properly licensed to practice in Minnesota.

4. Firm Qualifications and Experience

The proposer should state the size of the firm, the size of the firm's audit staff, the location of the office from which the work on this engagement is to be performed and the number and nature of the professional staff to be employed in this engagement on a full-time basis and the number and nature of the staff to be so employed on a part-time basis.

If the proposer is a joint venture or consortium, the qualifications of each firm comprising the joint venture or consortium should be separately identified and the firm that is to serve as the principal auditor should be noted, if applicable.

The firm is also required to submit a copy of the report on its most recent external quality control review.

The firm shall also provide information on the results of any federal or state desk reviews or field reviews of its audits during the past three (3) years. In addition, the firm shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years with state regulatory bodies or professional organizations.

5. Partner, Supervisory, and Staff Qualifications and Experience

Identify the principal supervisory and management staff, including engagement partners, managers, other supervisors, and specialists, who would be assigned to the engagement. Indicate whether each such person is registered or licensed to practice as a certified public accountant in Minnesota. Provide information on the government experience of each person, including information on relevant continuing professional education for the past three (3) years and membership in professional organizations relevant to the performance of this audit.

Provide as much information as possible regarding the number, qualifications, experience, and training, including relevant continuing professional education, of the specific staff to be assigned to this engagement. Indicate how the quality of staff over the term of the agreement will be assured.

Engagement partners, managers, other supervisory staff and specialists may be changed if those personnel leave the firm, are promoted or are assigned to another office. These personnel may also be changed for other reasons with the express prior written permission of the DMCC. However, in either case, the DMCC retains the right to approve or reject replacements.

Consultants and firm specialists mentioned in response to this request for proposal can only be changed with the express prior written permission of the DMCC, which retains the right to approve or reject replacements.

Other audit personnel may be changed at the discretion of the proposer provided that replacements have substantially the same or better qualifications or experience.

6. Prior Engagements with the DMCC or EDA

List separately all engagements within the last three years, ranked on the basis of total staff hours, for the DMCC or EDA by type of engagement (i.e., audit, management advisory services, other). Indicate the scope of work, date, engagement partners, total hours, the location of the firm's office from which the engagement was performed, and the name and telephone number of the principal client contact.

7. Similar Engagements with Government Entities

For the firm's office that will be assigned responsibility for the audit, list the most significant engagements (maximum - 5) performed in the last two (2) years for governmental entities, including the City of Rochester, that are similar to the engagement described in this request for proposal.

These engagements should be ranked on the basis of total staff hours. Indicate the scope of work, date, engagement partners, total hours, and the name and telephone number of the principal client contact.

8. Specific Audit Approach

The proposal should set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in Section II of this RFP. In developing the work plan, reference should be made to such sources of information as DMCC's budget and related materials, the EDA's budget and related materials, organizational charts, manuals and programs, and financial and other management information systems.

Proposers will be required to provide the following information on their audit approach:

- a. Proposed segmentation of the engagement
- b. Level of staff and number of hours to be assigned to each proposed segment of the engagement

NO DOLLARS SHOULD BE INCLUDED IN THE
TECHNICAL PROPOSAL

- c. Sample size and the extent to which statistical sampling is to be used in the engagement
- d. Extent of use of EDP software in the engagement
- e. Type and extent of analytical procedures to be used in the engagement

- f. Approach to be taken to gain and document an understanding of the DMCC's and EDA's respective internal control structures
- g. Approach to be taken in determining laws and regulations that will be subject to audit test work
- h. Approach to be taken in drawing audit samples for purposes of tests of compliance

9. Identification of Anticipated Potential Audit Problems

The proposal should identify and describe any anticipated potential audit problems, the firm's approach to resolving these problems and any special assistance that will be requested from the DMCC, the EDA or the City.

10. Report Format

The proposal should include sample formats for required reports.

C. Sealed Dollar Cost Proposal

1. Costs for Each Audit

The sealed dollar cost proposal should contain all pricing information relative to performing the individual audits for the DMCC and EDA as described in this Request for Proposal. The maximum price to be bid for each entity is to contain all direct and indirect costs, including all out-of-pocket expenses from initial field work through and including final audit reports, management letter, and presentation to the DMCC and EDA.

For any given option listed in Appendix D, please itemize the proposed costs for each segment of that option, resulting in the Grand Total.

Neither the DMCC or the EDA will be responsible for expenses incurred in preparing and submitting the technical proposal or the sealed dollar cost proposal. Such costs should not be included in the proposal.

The first page of the sealed dollar cost proposal should include the following:

- a. Name of Firm
- b. Certification that the person signing the proposal is entitled to represent the firm, empowered to submit the proposal, and authorized to sign a contract with the DMCC.
- c. A total cost for each audit for the 2023-2025 engagements, broken down as noted on Appendix D.

2. Rates by Partner, Specialist, Supervisory and Staff Level Times Hours Anticipated for each

The cost proposal should include a schedule of professional fees and expenses, presented in the format provided in the attachment (Appendix D) that supports the total all-inclusive maximum price for the first year of the audit. Any additional costs to address items listed in section II.F. – Additional Accounting Services, of this Request for Proposal should be disclosed as separate components of the total all-inclusive maximum price by completing Appendix D.

3. Out-of-Pocket Expenses Included in the Total All-inclusive Maximum Price and Reimbursement Rates

4. Rates for Additional Professional Services

If it should become necessary for either the DMCC or the EDA to request the auditor to render any additional services to either supplement the services requested in this RFP or to perform additional work as a result of the specific recommendations included in any report issued on this engagement, then such additional work shall be performed only if agreed to between the DMCC or the EDA and the firm and shall be performed at the same rates set forth in the schedule of fees and expenses included in the sealed dollar cost bid.

5. Manner of Payment

The auditor must bill the DMCC and the EDA separately, and each will be responsible for its own payments. Progress payments will be made on the basis of hours of work completed during the course of the engagement and out-of-pocket expenses incurred in accordance with the firm's dollar cost bid proposal. Interim billing shall cover a period of not less than a calendar month

VII. EVALUATION PROCEDURES

A. Review Committee

A review committee comprised of representatives of the DMCC, EDA and the City finance department staff will evaluate proposals submitted.

B. Review of Proposals

The review committee will use a point formula during the review process to score proposals. Each member of the selection committee will first score each proposal based on mandatory elements, technical qualifications, and price. The review committee will then convene to review and discuss these evaluations and to combine the individual scores to arrive at a composite score for each firm. Firms

with an unacceptably low technical score will be eliminated from further consideration.

NOTE: Cost will not be the primary factor in the selection of an audit firm.

C. Oral Presentations

During the evaluation process, the review committee may, at its discretion, request any one or all firms to make oral presentations. Such presentations will provide firms with an opportunity to answer any questions the review committee may have on a firm's proposal. Not all firms may be asked to make such oral presentations.

D. Final Selection

The DMCC will make the final selection of a firm following a recommendation of the review committee. It is anticipated that a firm will be selected by November 17, 2023. Following notification of the firm selected, it is expected a contract will be executed between both parties on or before December 20, 2023.

E. Right to Reject Proposals

Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposal unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the DMCC and the firm selected.

The DMCC reserves the right without prejudice to reject any or all proposals.

VIII. APPENDICES

- A. DMCC/EDA Accounts and Flow of Funds**
- B. Proposer Guarantees**
- C. Proposer Warranties**
- D. Format for Cost Proposal and Schedule of Professional Fees and Expenses**

CONTRACT TERMS AND CONDITIONS

No reimbursement will be made by the DMCC or the EDA for any costs incurred prior to the award of a contract as a result of this solicitation. The following clauses will be included in any contract between the DMCC and the Firm that has been chosen to provide the services described herein and in the Firm's proposal.

Insurance:

During the term of the contract, the Firm shall maintain the following minimum insurance coverage:

- A. Comprehensive General Liability Insurance: Bodily injury in the amount of at least \$1,000,000 per individual and \$1,000,000 for injuries or death arising out of each occurrence. Property damage liability in the amount of \$1,000,000 for each occurrence.
- B. Automobile Liability Insurance: At least \$300,000 per individual and \$1,000,000 per occurrence for any injuries, including death, arising out of each occurrence, and property damage coverage of \$1,000,000 for each occurrence.
- C. Worker's Compensation Insurance as required by Minnesota Statutes, Section 176.181, subd 2.
- D. Professional Liability Insurance in the amount of \$1,000,000 during the term of the contract.

Certificates of Insurance must be filed with the DMCC and the EDA before any work under the contract may commence. The DMCC and the EDA shall be named as an additional insureds on the general liability insurance policies. All such certificates shall state that the insurance company shall give the DMCC and the EDA thirty (30) days written notice of cancellation, non-renewal or any material change to the policy.

Rights of Use:

The Firm shall agree that the DMCC and the EDA will own and have the right to use, reproduce, and apply as it desires, any data, reports, analyses and materials which are collected or developed by the Firm or anyone acting on behalf of the Firm as a result of this contract.

Indemnification:

The Firm shall defend, indemnify, and hold harmless the DMCC, the EDA, and their respective officials, agents, and employees from and against all claims, damages, losses and expenses, including attorney's fees arising out of or resulting from the Firm's (including its officials, agents) performance of the duties required under the contract, provided that any such claim, damage, loss, or expense is attributable to bodily injury, sickness, disease, death, or to the injury to or the destruction of property, including a loss of use resulting there from, and is caused in whole or in part by any negligent act or omission or misconduct of the Firm.

Independent Contractor:

It is agreed that nothing herein contained is intended or should be construed in any manner as creating or establishing the relationship of co-partners between the parties hereto or as constituting the Firm's as the agents, representatives, or employees of the DMCC or the EDA for any purpose or in any manner whatsoever. The Firm and its staff are to be and shall remain an independent contractor with respect to all services performed under this contract. The Firm represents that it has, or will secure at its own expense, all personnel required in performing services under this contract. Any and all personnel of the Firm or other persons, while engaged in the performance of any work or services required by the Firm under this contract, shall have no contractual relationship with the DMCC or the EDA and shall not be considered employees of the DMCC, the EDA, and any and all claims that may arise under the Workers' Compensation

Act of the State of Minnesota on behalf of said personnel or other persons while so engaged, and any and all claims whatsoever on behalf of any such person or personnel arising out of employment or alleged employment including, without limitation, claims of discrimination against the Firm, its officers, agents, contractors, or employees shall in no way be the responsibility of the DMCC or the EDA; and the Firm shall defend, indemnify, and hold the DMCC, the EDA, their respective officers, agents and employees harmless from any and all such claims regardless of any determination of any pertinent tribunal, agency, board, commission or court. Such personnel or other persons shall not require nor be entitled to any compensation, rights or benefits of any kind whatsoever from the DMCC or the EDA, including, without limitation, tenure rights, medical and hospital care, sick and vacation leave, Workers' Compensation, Unemployment Compensation, disability, severance pay and PERA.

Non-Discrimination:

During the performance of this contract, the Firm will not discriminate against any employee or applicant for employment because of race, color, creed, religion, ancestry, national origin, sex, sexual orientation, disability, age, marital status, or status with regard to public assistance. The Firm will take affirmative action to insure that all employment practices are free of such discrimination. Such employment practices include, but are not limited to, the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The Firm agrees to post in places that are available to employees and applicants for employment, notices that set forth the provisions of this nondiscrimination clause. The notices shall inform all persons that any complaints regarding Firm compliance with the nondiscrimination clause may be reported to the DMCC.

Human Rights:

The Firm agrees to comply with the Minnesota State Human Rights Act, Minnesota Statutes, Section 363.

ADA:

The Firm agrees to comply with the Americans with Disabilities Act Section 504 of the Rehabilitation Act of 1973 and not discriminate on the basis of disability in the admission or access to, or treatment of employment in its services, programs, or activities. The Firm agrees to hold harmless and indemnify the DMCC and EDA from costs, including but not limited to damages, attorney's fees, and staff time, in any action or proceeding brought alleging a violation of ADA and/or Section 504 caused by the Firm.

Sublet/Assign:

The contract shall not be assignable except with the written consent of the DMCC.

Sub-Contractor Payment:

The Firm agrees that it must pay any subcontractor within ten days of the prime firm's receipt of payment from the DMCC or the EDA for undisputed services provided by the subcontractor.

The Firm agrees that it must pay interest of 1-1/2 percent per month or any part of a month to the subcontractor on any undisputed amount not paid on time to the subcontractor. The minimum monthly interest penalty payment for an unpaid balance of \$100 or more is \$10. For an unpaid balance of less than \$100, the prime firm shall pay the actual penalty due to the subcontractor. A subcontractor who prevails in a civil action to collect interest penalties from a prime contractor must be awarded its costs and disbursements, including attorney's fees, incurred in bringing this action.

Data Practices:

The Firm will comply with all applicable provisions of the Minnesota Government Data Practices Act, Minnesota Statutes, Chapter 13.

Audit:

All books, records, documents, and accounting procedures of the Firm, relevant to the contract, are subject to examination by the DMCC and either the legislative or state auditor as appropriate, pursuant to Minnesota Statutes, Section 16C.05, subd. 5.

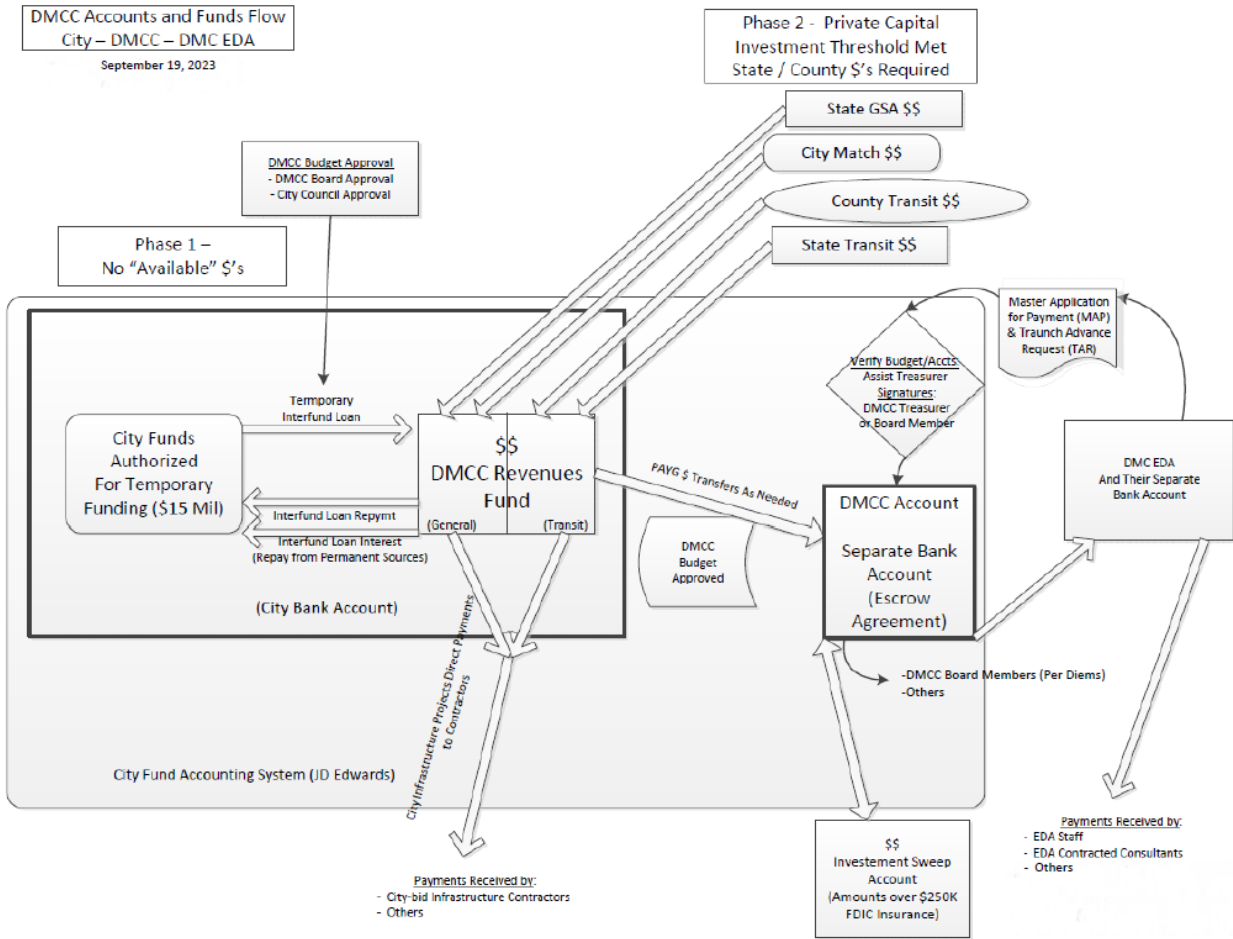
Laws:

The Firm will comply with all applicable local, state, and federal laws, rules and regulations in the performance of the duties of the contract. The Firm will comply with and be governed by all laws of the State of Minnesota.

Termination:

The contract may be terminated for any reason upon giving thirty (30) days' advance written notice to the other party. The DMCC reserves the right to cancel this contract at any time in the event of default or violation by the Firm of any provision of the contract. The DMCC may take whatever action at law or in equity that may appear necessary or desirable to collect damages arising from a default or violation or to enforce performance of the contract.

APPENDIX A



APPENDIX B

PROPOSER GUARANTEES

1. The proposer certifies it can and will provide and make available, as a minimum, all services set forth in Section II, Nature of Services Required.

Signature of Official: _____

Name (typed): _____

Title: _____

Firm: _____

Date: _____

APPENDIX C

PROPOSER WARRANTIES

- A. Proposer warrants that it is willing and able to comply with State of Minnesota laws with respect to foreign (non-state of Minnesota) corporations.
- B. Proposer warrants that it is willing and able to obtain an errors and omissions insurance policy providing a prudent amount of coverage for the willful or negligent acts, or omissions of any officers, employees or agents thereof.
- C. Proposer warrants that it will not delegate or subcontract its responsibilities under an agreement without the prior written permission of the Destination Medical Center Corporation.
- D. Proposer warrants that all information provided by it in connection with this proposal is true and accurate.

Signature of Official: _____

Name (typed): _____

Title: _____

Firm: _____

Date: _____

APPENDIX D

**Destination Medical Center Corporation (“DMCC”)
And
Destination Medical Center Economic Development Agency (“EDA”)
Request for Proposal for Professional Auditing Services
For services described in Section II, A-G of the RFP**

*NOTE: PLEASE COMPLETE BOTH PAGES OF THIS APPENDIX D

I. PROPOSAL TO DMCC

<u>Audit Year:</u>	2023	2024	2025
<u>Service Provided:</u>			
DMCC general audit costs			
DMCC tax preparation and filing costs			
DMCC Annual Charitable Organizations Report			
DMCC procedures audit for DEED			
Grand Total			

	<u>Year:</u> 2024	2025	2026
	<u>Quoted Hourly Rate</u>	<u>Quoted Hourly Rate</u>	<u>Quoted Hourly Rate</u>
<u>Service provided by:</u>			
Partners/Principals	_____	_____	_____
Managers	_____	_____	_____
Supervisory Staff	_____	_____	_____
Staff	_____	_____	_____
Other (specify)	_____	_____	_____
	<u>Quoted Daily Rate</u>	<u>Quoted Daily Rate</u>	<u>Quoted Daily Rate</u>

<u>Out-of-Pocket Expenses:</u>			
Meals (per employee)	_____	_____	_____
Lodging (per employee)	_____	_____	_____
Transportation (per trip)	_____	_____	_____
Other (specify)	_____	_____	_____

II. PROPOSAL TO EDA

<u>Audit Year:</u>	2023	2024	2025
---------------------------	-------------	-------------	-------------

Service Provided:

EDA general audit costs
 EDA tax preparation and filing costs
 Grand Total

<u>Year:</u>	2024	2025	2026
	<u>Quoted Hourly Rate</u>	<u>Quoted Hourly Rate</u>	<u>Quoted Hourly Rate</u>

Service provided by:

Partners/Principals
 Managers
 Supervisory Staff
 Staff
 Other (specify)

<u>Quoted Daily Rate</u>	<u>Quoted Daily Rate</u>	<u>Quoted Daily Rate</u>
-------------------------------------	-------------------------------------	-------------------------------------

Out-of-Pocket Expenses:

Meals (per employee)
 Lodging (per employee)
 Transportation (per trip)
 Other (specify)

DESTINATION MEDICAL CENTER CORPORATION

RESOLUTION NO. ___-2023

Approving the 2024-2025 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 2024 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>2024</u>	
Thursday, February 1, 2024	9:30 a.m.
Thursday, May 23, 2024	9:30 a.m.
Thursday, September 26, 2024	9:30 a.m.
Thursday, December 5, 2024	9:30 a.m.
<u>2025</u>	
Thursday, February 6, 2025	9:30 a.m.
Thursday, May 22, 2025	9:30 a.m.
Thursday, September 25, 2025	9:30 a.m.
Thursday, December 4, 2025	9:30 a.m.



To: Mark Thein, Treasurer
Kaela Brennan, Attorney

From: Jean McGann, City of Rochester Interim Finance Director

Date: September 18, 2023

RE: August 2023 DMCC Budget Summary – unaudited

The attached budget summary through August 2023 reflects DMCC operating expenditures totaling \$2,043,709 of the \$3.9 million approved 2023 budget. The remaining amount unspent represents 48% of the total budget with 25% of the year remaining.

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

Approximately \$6.3 million has been spent on these projects in 2023 with the majority spent on Discovery Walk and Rapid Transit activity. Total life-to-date expenditures on all projects is approximately \$108.2 million.

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

Destination Medical Center Corporation
Financial Budget Summary
April 30, 2023

	2023 Approved Budget	Current Month August 2023	August 2023 Year To Date	Amount Remaining	Percent Remaining
DMCC Corporation:					
Rents and Leases	34,017		22,681	11,336	33%
Professional Services	172,300	113	70,206	102,094	59%
Travel/Training	6,000		1,566	4,434	74%
Insurance and Bonds	20,000		7,358		
Interest / Other Administrative		4	26		
Subtotal DMCC	232,317	117	101,836	117,865	51%
Third Party Costs - DMC EDA					
Employee Services	1,289,172	91,895	753,192	535,980	42%
Operating Expenses	70,974	15,970	164,451	(93,477)	-132%
Operational Costs - Contracted			1,189	(1,189)	
Economic Development Outreach & Support	691,472	21,625	192,327	499,145	72%
Professional Services	517,410	14,270	210,553	306,857	59%
Miscellaneous Expenses	54,500			54,500	100%
Subtotal EDA	2,623,528	143,760	1,321,712	1,301,816	50%
Third Party Costs - City of Rochester Project Management Budget					
Employee Services	995,277	74,182	569,712	425,565	43%
Contractual Maint and Repair	38,760	705	753	38,007	98%
Expert and Professional Services	8,160	14,710	18,859	(10,699)	-131%
Travel/Training/Memberships	13,414	1,398	4,144	9,270	69%
Operations Expenses	12,990	12,608	12,608	382	3%
Miscellaneous/Other	11,568	7,639	14,085	(2,517)	-22%
Subtotal City Project Management	1,080,169	111,242	620,161	460,008	43%
Total DMCC Operations 2023	3,936,014	255,119	2,043,709	1,892,305	48%
Note: An additional payment request received in September that included August DMC EDA charges of \$8,476.					
DMCC	Working Capital Note: \$1,000				
EDA	Working Capital Note: \$100,000				

**DMCC Projects by Category
Managed by City of Rochester
Through August 2023**

PROJECT	PROJECT STATUS	YEAR TO DATE EXPENSES	PROJECT BUDGET	LIFE TO DATE EXPENSES	LIFE TO DATE ENCUMBRANCE	Notes
Administration						
C.8601 - City Project Administrative Costs-DMCC (Budget-Current Yr)	Annual Budget	423,998	1,096,277	3,145,318		
C.8606 - City Staff Costs-DMCC - (Budget-Current Yr)	Annual Budget	8,912		442,225		
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		432,910	2,096,277	4,038,914		
Econ Development/Public Realm						
C.8624 - ChateauTheatreBldgImprov/Purch	Nearly Complete	321,655	9,186,027	8,965,027		
C.8625 - Heart of the City	Nearly Complete	13,201	20,593,371	21,238,425	513,033	
C.8633 - Strategic Development	Ongoing		13,000,000	2,200,000		
C.8634 - Riverfront Reimagined	Study	652,551	1,000,000	832,098		
C.8904 - Discovery Walk	Active Construction	3,567,500	15,720,000	12,213,745	5,278,633	
Total Econ Development/Public Realm		4,554,907	59,499,398	45,449,295	5,791,666	
Infrastructure						
C.8611 - San. Sewer 12th Ave from 2nd St NW to 2nd St SW	Post Construction	174,155	6,260,294	6,163,981		
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 Siph	Complete		8,000,000	6,662,993		
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 4st NW	Warranty	1,949	1,532,000	1,532,138		
C.7318 - Reconst North Broadway -	Active Construction	-	4,400,000	4,000,000		1
C.1037 - Steam Replace/District Energy	Active Construction	-	2,000,000	731,815		2
C. 4716 Downtown Sidewalk Experience Enhancement	Active Construction	52,785	2,900,000	2,131,000		3
C. 7344 Reconstruct 3rd Avenue NW Between 4th St SW and 5th St SW	Active Construction	35,367	1,578,000	345,000	27,824	
C.7830 1st Street NW San Sewer Diversion from 1st Ave to Broadway	Warranty	-	1,479,000	1,400,032		
C.7919 6th Street Bridge over Zumbro River	Design	-	280,000	279,588		
Total Infrastructure		264,257	31,585,083	25,498,929	27,824	
Transit						
C.8614 - DMCTransit&InfrastrctrPgrmMgmt	Complete		3,956,739	1,826,262		
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 - DMCTransitCirculatorTODPInStdy	Complete			829,414		
C.8707 - Rapid Transit Projects	Design	983,476	24,136,647	10,400,342		
C.8709 - Arrive Rochester Implementatn	Ongoing	25,806	300,000	144,571		
C.8903 - Dedicated Bike Lanes-3rd/4thAve&CtrSt	Complete		2,038,300	1,745,083		
Total Transit		1,009,282	49,562,718	33,225,323		
Grand Total		6,261,355	142,743,476	108,212,461	5,819,490	-

Notes

- \$4,000,000 of the \$4,400,000 has been transferred to date
- DMCC has not approved any expenditures for this project to date. The budget indicated on this report varies from the April report. Budget number was taken from the Capital Improvement Program.
- Budget amount varies from April report. Budget amount taken from Capital Improvement Program (CIP).

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

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

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CLIENT'S COPY

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September 18, 2023

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

Destination Medical Center Corporation:

Enclosed is the organization's 2022 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, 2023 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 on or before November 15, 2023 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 2022 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

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DESTINATION MEDICAL CENTER CORPORATION

FORM 990 INCOME TAX RETURN

FOR YEAR ENDED DECEMBER 31, 2022

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IRS e-file Signature Authorization for a Tax Exempt Entity

Form 8879-TE

For calendar year 2022, or fiscal year beginning _____, 2022, and ending _____, 20__

2022

Department 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 46-4959371

Name 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.

Table with 4 columns: Line number, Form type, Check box, and Amount. Includes lines 1a-10a and 1b-10b.

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

Under penalties of perjury, I declare that [X] I am an officer of the above 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 2022 electronic return and accompanying schedules and statements, and, to the best of my knowledge and belief, they are true, correct, and complete.

PIN: check one box only

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

as my signature on the tax year 2022 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 2022 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I will enter my PIN on the return's disclosure consent screen.

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

Part III Certification and Authentication

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

41712813129 Do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2022 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 09/18/23

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 (2022)

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

Department of the Treasury
Internal Revenue Service

▶ **File a separate application for each return.**
▶ **Go to www.irs.gov/Form8868 for the latest information.**

Electronic filing (e-file). You can electronically file Form 8868 to request a 6-month automatic extension of time to file any of the forms listed below with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, for which an extension request must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/e-file-providers/e-file-for-charities-and-non-profits.

Automatic 6-Month Extension of Time. Only submit original (no copies needed).

All corporations required to file an income tax return other than Form 990-T (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

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

Enter the Return Code for the return that this application is for (file a separate application for each return) 0 | 1

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 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		

JOY HARRIS

- The books are in the care of ▶ **201 4TH STREET SE ROOM 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, 2023**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
▶ calendar year **2022** 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.

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.

2022

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

A For the **2022** calendar year, or tax year beginning and ending

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization DESTINATION MEDICAL CENTER CORPORATION		D Employer identification number 46-4959371
	Doing business as		E Telephone number 507-328-2850
	Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	
	201 4TH STREET SE		G Gross receipts \$ 2,009,266.
	City or town, state or province, country, and ZIP or foreign postal code ROCHESTER, MN 55904		H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. See instructions
F Name and address of principal officer: MARK THEIN SAME AS C ABOVE		H(c) Group exemption number	
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527			
J Website: WWW.DMC.MN			
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> 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 2022 (Part V, line 2a)	5	0
	6 Total number of volunteers (estimate if necessary)	6	8
	7 a Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
b Net unrelated business taxable income from Form 990-T, Part I, line 11	7b	0.	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year 2,053,572.	Current Year 2,009,253.
	9 Program service revenue (Part VIII, line 2g)	0.	0.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	0.	13.
	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)	2,053,572.	2,009,266.
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0.	0.
	14 Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	0.	0.
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
	b Total fundraising expenses (Part IX, column (D), line 25)	0.	
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	2,053,572.	2,009,266.	
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	2,053,572.	2,009,266.	
19 Revenue less expenses. Subtract line 18 from line 12	0.	0.	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year 379,838.	End of Year 331,978.
	21 Total liabilities (Part X, line 26)	379,838.	331,978.
	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	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	CRAIG POPENHAGEN	CRAIG POPENHAGEN	09/18/23	<input type="checkbox"/>	P01587689
Preparer Use Only	Firm's name	Firm's EIN		Phone no.	
	CLIFTONLARSONALLEN LLP	41-0746749		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 Accomplishments

Check if Schedule O contains a response or note to any line in this Part III [X]

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

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

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

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 1,856,811. 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 1,856,811.

Part IV Checklist of Required Schedules

Table with columns for question number, Yes, and No. Contains 21 main questions and sub-questions (a-f) regarding organizational requirements and financial reporting.

Part IV Checklist of Required Schedules (continued)

Table with 3 columns: Question number, Yes, No. Rows 22-38 covering various organizational requirements.

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

Table with 3 columns: Question number, Yes, No. Rows 1a, 1b, 1c regarding Form 1096 and backup withholding rules.

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

Table with columns for question number, question text, and Yes/No columns. Includes questions 2a through 17 regarding employee reporting, tax returns, gross income, foreign accounts, prohibited transactions, and charitable contributions.

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

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

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a Enter the number of voting members of the governing body at the end of the tax year; 1b Enter the number of voting members included on line 1a, above, who are independent; 2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?; 3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, trustees, or key employees to a management company or other person?; 4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?; 5 Did the organization become aware during the year of a significant diversion of the organization's assets?; 6 Did the organization have members or stockholders?; 7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?; 7b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?; 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: a The governing body? b Each committee with authority to act on behalf of the governing body?; 9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses on Schedule O.

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

Table with 3 columns: Question, Yes, No. Rows include: 10a Did the organization have local chapters, branches, or affiliates?; 10b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?; 11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?; 11b Describe 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; 12b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?; 12c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe on Schedule O how this was done; 13 Did the organization have a written whistleblower policy?; 14 Did the organization have a written document retention and destruction policy?; 15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?; 15a The organization's CEO, Executive Director, or top management official; 15b Other officers or key employees of the organization; 16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?; 16b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed MN
18 Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A, if applicable), 990, and 990-T (section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
[] Own website [] Another's website [X] Upon request [] Other (explain on Schedule O)
19 Describe on Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
20 State the name, address, and telephone number of the person who possesses the organization's books and records
JOY HARRIS - (507)328-2850
201 4TH STREET SE ROOM 204, ROCHESTER, MN 55904

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

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

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

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

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
 - List all of the organization's **current** key employees, if any. See the instructions for definition of "key employee."
 - List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (box 5 of Form W-2, box 6 of Form 1099-MISC, and/or box 1 of Form 1099-NEC) of more than \$100,000 from the organization and any related organizations.
 - List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
 - List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.
- See the instructions for the order in which to list the persons above.

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) PAMELA WHEELOCK CHAIR	6.00 0.00	X		X				0.	0.	0.
(2) KIM NORTON VICE CHAIR	4.00 0.00	X		X				0.	0.	0.
(3) MARK THEIN TREASURER	4.00 0.00	X		X				0.	0.	0.
(4) PAUL WILLIAMS SECRETARY	4.00 0.00	X		X				0.	0.	0.
(5) JAMES CAMPBELL DIRECTOR	4.00 0.00	X						0.	0.	0.
(6) R.T. RYBAK DIRECTOR	4.00 0.00	X						0.	0.	0.
(7) DOUG M. BAKER DIRECTOR	4.00 0.00	X						0.	0.	0.
(8) BROOKE CARLSON DIRECTOR	4.00 0.00	X						0.	0.	0.

Part VIII Statement of Revenue

Check 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	2,009,253.		
	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		2,009,253.		
Program Service Revenue	2 a		Business Code			
	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)		13.		13.
	4	Income from investment of tax-exempt bond proceeds				
	5	Royalties				
	6 a	Gross rents	(i) Real			
			(ii) Personal			
	6 b	Less: rental expenses				
	6 c	Rental income or (loss)				
	d	Net rental income or (loss)				
	7 a	Gross amount from sales of assets other than inventory	(i) Securities			
			(ii) Other			
	7 b	Less: cost or other basis and sales expenses				
	7 c	Gain or (loss)				
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					
8 b	Less: direct expenses					
c	Net income or (loss) from fundraising events					
9 a	Gross income from gaming activities. See Part IV, line 19					
9 b	Less: direct expenses					
c	Net income or (loss) from gaming activities					
10 a	Gross sales of inventory, less returns and allowances					
10 b	Less: cost of goods sold					
c	Net income or (loss) from sales of inventory					
Miscellaneous Revenue	11 a		Business Code			
	b					
	c					
	d	All other revenue				
	e	Total. Add lines 11a-11d				
12	Total revenue. See instructions		2,009,266.	0.	0.	13.

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	107,351.		107,351.	
c Accounting	5,875.		5,875.	
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.)	2,637.		2,637.	
12 Advertising and promotion				
13 Office expenses				
14 Information technology				
15 Royalties				
16 Occupancy	22,973.		22,973.	
17 Travel	491.		491.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest	3,029.	3,029.		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization				
23 Insurance	13,128.		13,128.	
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	1,853,782.	1,853,782.		
b				
c				
d				
e All other expenses				
25 Total functional expenses. Add lines 1 through 24e	2,009,266.	1,856,811.	152,455.	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 <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

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

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing		1	
	2 Savings and temporary cash investments	3,313.	2	2,181.
	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	78,937.	9	61,307.
	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	297,588.	15	268,490.
16 Total assets. Add lines 1 through 15 (must equal line 33)	379,838.	16	331,978.	
Liabilities	17 Accounts payable and accrued expenses	224,901.	17	169,671.
	18 Grants payable		18	
	19 Deferred revenue	78,937.	19	61,307.
	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	101,000.
	26 Total liabilities. Add lines 17 through 25	379,838.	26	331,978.
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	379,838.	33	331,978.

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	2,009,266.
2	Total expenses (must equal Part IX, column (A), line 25)	2	2,009,266.
3	Revenue less expenses. Subtract line 2 from line 1	3	0.
4	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	4	0.
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain on Schedule O)	9	0.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	10	0.

Part XII Financial Statements and Reporting

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

- 1 Accounting method used to prepare the Form 990: Cash Accrual 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:
 Separate basis Consolidated basis Both consolidated and separate basis
- 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:
 Separate basis Consolidated basis Both consolidated and separate basis
- 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.
- 3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Uniform Guidance, 2 C.F.R. Part 200, Subpart F?
- 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

	Yes	No
2a		X
2b	X	
2c	X	
3a		X
3b		

Form 990 (2022)

SCHEDULE A
(Form 990)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

2022

Open to Public Inspection

Name of the organization DESTINATION MEDICAL CENTER CORPORATION	Employer identification number 46-4959371
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Part I Reason for Public Charity Status. (All organizations must complete this part.) See instructions.

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

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
- 2 A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E (Form 990).)
- 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).

(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) 2018	(b) 2019	(c) 2020	(d) 2021	(e) 2022	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	2581655.	2700723.	2349677.	2053572.	2009253.	11694880.
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	2581655.	2700723.	2349677.	2053572.	2009253.	11694880.
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.						11694880.

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2018	(b) 2019	(c) 2020	(d) 2021	(e) 2022	(f) Total
7 Amounts from line 4	2581655.	2700723.	2349677.	2053572.	2009253.	11694880.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources	14.	14.			13.	41.
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						11694921.
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 2022 (line 6, column (f), divided by line 11, column (f))	14	100.00	%
15 Public support percentage from 2021 Schedule A, Part II, line 14	15	100.00	%
16a 33 1/3% support test - 2022. 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 - 2021. 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 - 2022. 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 - 2021. 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"/>

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) 2018	(b) 2019	(c) 2020	(d) 2021	(e) 2022	(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) 2018	(b) 2019	(c) 2020	(d) 2021	(e) 2022	(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 2022 (line 8, column (f), divided by line 13, column (f))	15	%
16 Public support percentage from 2021 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2022 (line 10c, column (f), divided by line 13, column (f))	17	%
18 Investment income percentage from 2021 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2022. 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 - 2021. 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 on line 12 of 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)

Table with 3 columns: Question, Yes, No. Contains questions 11a, 11b, 11c regarding gifts and contributions.

Section B. Type I Supporting Organizations

Table with 3 columns: Question, Yes, No. Contains questions 1 and 2 regarding governing body powers and organization benefits.

Section C. Type II Supporting Organizations

Table with 3 columns: Question, Yes, No. Contains question 1 regarding directors/trustees of supported organizations.

Section D. All Type III Supporting Organizations

Table with 3 columns: Question, Yes, No. Contains questions 1, 2, 3 regarding support notices, relationships, and investment policies.

Section E. Type III Functionally Integrated Supporting Organizations

Table with 3 columns: Question, Yes, No. Contains questions 1-3 regarding the Integral Part Test and activities.

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 (explain in detail in Part VI):		
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).		

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 2022 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-2022	(iii) Distributable Amount for 2022
1 Distributable amount for 2022 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2022 (reasonable cause required - <i>explain in Part VI</i>). See instructions.			
3 Excess distributions carryover, if any, to 2022			
a From 2017			
b From 2018			
c From 2019			
d From 2020			
e From 2021			
f Total of lines 3a through 3e			
g Applied to underdistributions of prior years			
h Applied to 2022 distributable amount			
i Carryover from 2017 not applied (see instructions)			
j Remainder. Subtract lines 3g, 3h, and 3i from line 3f.			
4 Distributions for 2022 from Section D, line 7: \$			
a Applied to underdistributions of prior years			
b Applied to 2022 distributable amount			
c Remainder. Subtract lines 4a and 4b from line 4.			
5 Remaining underdistributions for years prior to 2022, 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 2022. 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 2023. Add lines 3j and 4c.			
8 Breakdown of line 7:			
a Excess from 2018			
b Excess from 2019			
c Excess from 2020			
d Excess from 2021			
e Excess from 2022			

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

2022

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.

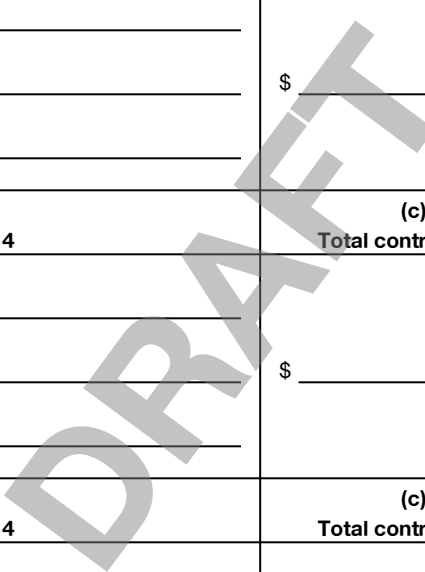
For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter 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).

Name of organization DESTINATION MEDICAL CENTER CORPORATION	Employer identification number 46-4959371
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Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

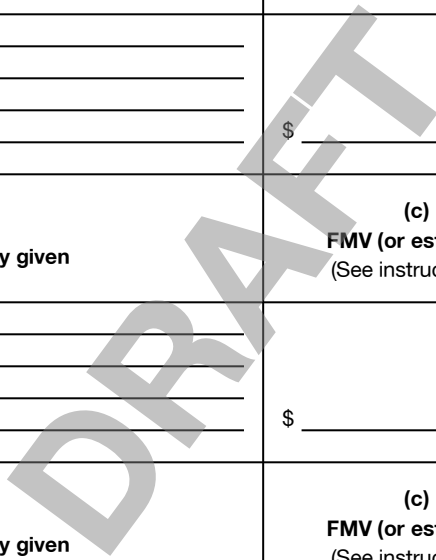
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	CITY OF ROCHESTER 201 4TH STREET SE ROCHESTER, MN 55904	\$ 2,009,253.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$ _____	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 DESTINATION MEDICAL CENTER CORPORATION	Employer identification number 46-4959371
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Part II Noncash Property (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	



Name of organization DESTINATION MEDICAL CENTER CORPORATION	Employer identification number 46-4959371
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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
	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
<hr/> <hr/> <hr/>		<hr/> <hr/> <hr/>	
	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
<hr/> <hr/> <hr/>		<hr/> <hr/> <hr/>	
	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
<hr/> <hr/> <hr/>		<hr/> <hr/> <hr/>	
	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
<hr/> <hr/> <hr/>		<hr/> <hr/> <hr/>	
	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
<hr/> <hr/> <hr/>		<hr/> <hr/> <hr/>	
	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
<hr/> <hr/> <hr/>		<hr/> <hr/> <hr/>	

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

2022

Open to Public Inspection

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

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

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows include: 1 Total number at end of year, 2 Aggregate value of contributions to (during year), 3 Aggregate value of grants from (during year), 4 Aggregate value at end of year, 5 Did the organization inform all donors 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?, 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?

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

Table with 2 columns: Held at the End of the Tax Year. Rows include: 1 Purpose(s) of conservation easements held by the organization (check all that apply), 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, 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.

Table with 2 columns: Revenue included on Form 990, Part VIII, line 1, Assets included in Form 990, Part X. Rows include: 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. 1b 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) 2022

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

- 3 Using the organization's acquisition, accession, and other records, check any of the following that make significant use of its collection items (check all that apply):
- a Public exhibition
 - b Scholarly research
 - c Preservation for future generations
 - d Loan or exchange program
 - e Other _____
- 4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.
- 5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? 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:
- | | Amount |
|---------------------------------|--------|
| c Beginning balance | 1c |
| d Additions during the year | 1d |
| e Distributions during the year | 1e |
| f Ending balance | 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:
- | | Yes | No |
|--|--------|----|
| (i) Unrelated organizations | 3a(i) | |
| (ii) Related organizations | 3a(ii) | |
| b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R? | 3b | |
- 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.

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	100,000.
(2) DUE FROM OTHER GOVERNMENTS	168,490.
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.)	268,490.

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	101,000.
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.)	101,000.

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FASB ASC 740. Check here if the text of the footnote has been provided in Part XIII ...

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

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

Table with 5 main rows and sub-rows (a-e) for adjustments. Total revenue reported as 2,009,266.

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

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

Table with 5 main rows and sub-rows (a-e) for adjustments. Total expenses reported as 2,009,266.

Part XIII Supplemental Information.

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

Multiple horizontal lines provided for entering supplemental information.

**SCHEDULE O
(Form 990)**

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

2022

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 MARJORITY OF
THE MEMBERS OF THE EXECUTIVE COMMITTEE SHALL BE DIRECTORS. THE EXECUTIVE
COMMITTEE SHALL ACT ONLY DURING INTERVALS BETWEEN MEETINGS OF THE BOARD OF
DIRECTORS AND SHALL AT ALL TIMES BE SUBJECT TO THE CONTROL AND DIRECTION OF
THE BOARD OF DIRECTIONS. DURING SUCH INTERVALS AND SUBJECT TO SUCH CONTROL
AND DIRECTION, THE EXECUTIVE COMMITTEE SHALL HAVE AND MAY EXERCISE ALL OF
THE AUTHORITY AND POWERS OF THE BOARD OF DIRECTORS IN THE MANAGEMENT OF THE
AFFAIRS OF THE ORGANIZATION.

FORM 990, PART VI, SECTION A, LINE 7A:

THE GOVERNING DOCUMENTS PROVIDE THAT THE FILING ORGANIZATION'S BOARD OF
DIRECTORS ARE APPOINTED AS FOLLOWS:

"THE MAYOR OF ROCHESTER, MN (OR DESIGNEE) SUBJECT TO APPROVAL BY THE CITY
COUNCIL.

"THE CITY COUNCIL PRESIDENT, (OR DESIGNEE) SUBJECT TO APPROVAL BY THE CITY
COUNCIL.

"THE CHAIR OR ANOTHER MEMBER OF THE COUNTY BOARD OF OLMSTED COUNTY,
APPOINTED BY THE COUNTY BOARD.

"A REPRESENTATIVE OF MAYO CLINIC APPOINTED BY MAYO CLINIC

"FOUR DIRECTORS APPOINTED BY THE GOVERNOR OF MINNESOTA, SUBJECT TO

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

Schedule O (Form 990) 2022

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

2022

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, 201 1ST STREET SW, ROCHESTER, MN 55905	PROVIDE SERVICES TO THE DMCC	MINNESOTA	501(C)(3)	LINE 7	N/A		X

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

Schedule R (Form 990) 2022

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

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

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

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

Part V Transactions With Related Organizations. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.

Note: Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

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

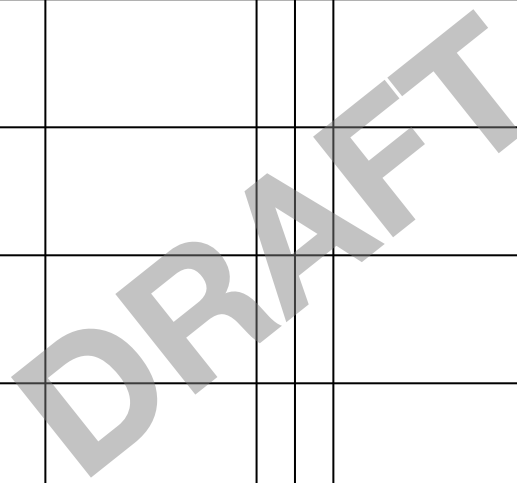
2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

	(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.

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



Part VII Supplemental Information

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

Multiple horizontal lines for providing supplemental information.

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: 12312022
mm/dd/yyyy

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

Mailing Address: <u>MARK THEIN</u> Contact Person <u>201 4TH STREET SE, NO. 204</u> Street Address <u>ROCHESTER, MN 55904</u> City, State, and ZIP Code <u>507-328-2850</u> Phone Number <u>MARK.THEIN@OLMSTEDCOUNTY.GOV</u> Email Address	Physical Address: <u>MARK THEIN</u> Contact Person <u>201 4TH STREET SE, NO. 204</u> Street Address <u>ROCHESTER, MN 55904</u> City, State, and ZIP Code <u>507-328-2850</u> Phone Number <u>MARK.THEIN@OLMSTEDCOUNTY.GOV</u> 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: \$ 2,009,253.

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

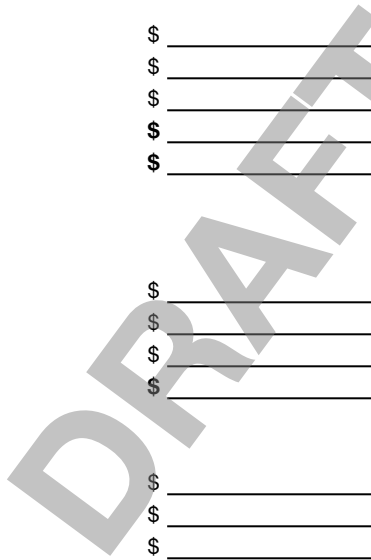
LIABILITIES

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				

DRAFT

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

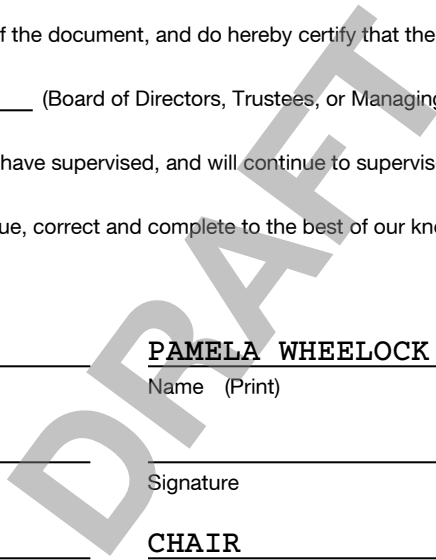
Name (Print)

Signature

CHAIR

Title

Date





We'll get you there.

CPAs | CONSULTANTS | WEALTH ADVISORS

Destination Medical Center Corporation

September 2023

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
- Part VIII (page 10) – no unrelated business income



IRS Form 990

- Schedule B (page 23) – contributors
- Schedule R (page 33) – related organizations
- Filing deadline is November 15, 2023



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, 2023



Minnesota Non-profit Corporation Annual Renewal

- Filed online with Minnesota Secretary of State
- In good standing through December 31, 2023
- Annual renewal to be filed (online) for 2024



Thank you for engaging us to serve you!

Contact Information:

Craig Popenhagen, Principal

507-280-2327

Craig.popenhagen@claconnect.com

Katherine Lutzke, Director

507-280-2314

katherine.lutzke@claconnect.com



DESTINATION MEDICAL CENTER CORPORATION

RESOLUTION NO. ___-2023

**Approving the 2023 State of Minnesota Charitable
Organization Annual Report and 2022 Form 990**

BACKGROUND RECITALS

A. On behalf of the Destination Medical Center Corporation (“DMCC”), CliftonLarsonAllen (“CLA”) prepared the 2023 State of Minnesota Charitable Organization Annual Report (the “Annual Report”) and 2022 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 28, 2023, and are on file with the DMCC.

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED, by the Destination Medical Center Corporation, that the 2023 State of Minnesota Charitable Organization Annual Report and 2022 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.

DMC CAPITAL IMPROVEMENT PLAN

Public Realm				
	<u>DESCRIPTION</u>	<u>2024 DMC FUNDING SOURCE</u>	<u>PROPOSED 2024 DMC FUNDING</u>	<u>PHASE 2 (2020-2024) DMC FUNDING</u>
1	Chateau Theatre: Improvements and Asset Preservation	DMC GSIA	\$1,000,000	
2	Downtown Waterfront: Riverfront Pre-development	DMC GSIA	\$1,000,000	
3	St Marys Place: Public Realm Design and Construction	DMC GSIA	\$500,000	
			2024 Subtotal \$2,500,000	Phase 2 Subtotal (2020-2024) \$50,670,000 Phase 2 Target Range \$35-50M
Mobility				
	<u>DESCRIPTION</u>	<u>2024 DMC FUNDING SOURCE</u>	<u>PROPOSED 2024 DMC FUNDING</u>	<u>PHASE 2 (2020-2024) DMC FUNDING</u>
4	Rapid Transit, including Second Street Reconstruction & Streetscape	DMC County Transit Aid	\$3,718,569	
		DMC State Transit Aid	\$5,577,854	
			2024 Subtotal \$9,296,423	Phase 2 Subtotal (2020-2024) \$60,057,083 Phase 2 Target Range \$60-75M
Strategic Redevelopment				
	<u>DESCRIPTION</u>	<u>2024 DMC FUNDING SOURCE</u>	<u>PROPOSED 2024 DMC FUNDING</u>	<u>PHASE 2 (2020-2024) DMC FUNDING</u>
5	Strategic Redevelopment (Bio-med-tech, workforce housing, downtown property support)	DMC GSIA	\$10,000,000	
			2024 Subtotal \$10,000,000	Phase 2 Subtotal (2020-2024) \$30,300,000 Phase 2 Target Range \$20-45M
Streets and Sewers				
	<u>DESCRIPTION</u>	<u>2024 DMC FUNDING SOURCE</u>	<u>PROPOSED 2024 DMC FUNDING</u>	<u>PHASE 2 (2020-2024) DMC FUNDING</u>
6	Streets: Sixth Street Bridge, Sixth Street S.E., Waterfront Connectivity	DMC GSIA	\$4,000,000	
7	District Energy	DMC GSIA	\$7,200,000	
8	Sewer: Construct sanitary sewer capacity bypass on 3rd Ave SW from 2nd St SW to 4th St SW	DMC GSIA	\$1,500,000	
			2024 Subtotal \$12,700,000	Phase 2 Subtotal (2020-2024) \$34,477,223 Phase 2 Target Range \$35-50M
Operations				
	<u>DESCRIPTION</u>	<u>2024 DMC FUNDING SOURCE</u>	<u>PROPOSED 2024 DMC FUNDING</u>	<u>PHASE 2 (2020-2024) DMC FUNDING</u>
9	DMC Corp.	City DMC Aid	\$218,930	
10	DMC administrative support by City of Rochester	City DMC Aid	\$100,000	
11	DMC EDA	City DMC Aid	\$2,842,507	
12	City DMC Project Management	City DMC Aid	\$1,157,454	
13	DMC Development Plan Update	DMC GSIA	\$750,000	
			2024 Subtotal \$5,068,891	Phase 2 Subtotal (2020-2024) \$20,214,541 Phase 2 Target Range \$15-20M
			2024 DMC Funding Total \$39,565,314	Phase 2 Total (2020-2024) \$195,718,847 Phase 2 Target Range \$200,000,000

2024 DMC GSIA:	\$25,200,000
2024 City DMC Aid:	\$5,068,891
2024 County DMC Transit Aid:	\$3,718,569
2024 State DMC Transit Aid:	\$5,577,854
2024 DMC Total:	\$39,565,314

Chateau Theatre Improvements



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

Project Description:
 Chateau restroom renovations are ongoing. Major upgrades to the HVAC system are planned for 2023-2024.

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

What is the grant status for the project?:

Foundation Principles Supported:

Strategic Priorities Supported:

Department Funding Request:

Anticipated Funding Source	2024	2025	2026	2027	2028	2029	Total Current 6 Yrs
State DMC Funds	1,000,000	300,000	1,000,000	100,000	0	0	2,400,000
Funding Request Row Total:	1,000,000	300,000	1,000,000	100,000	0	0	2,400,000

Project Cost Breakdown:

Major Expense Category	2024	2025	2026	2027	2028	2029	Total Current 6 Yrs
Implementation	1,000,000	300,000	1,000,000	100,000	0	0	2,400,000
Project Cost Breakdown Row Total:	1,000,000	300,000	1,000,000	100,000	0	0	2,400,000

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.:

HVAC related improvements are likely to decrease the operating utilities costs of the facility. Other improvements are 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:

Riverfront Redevelopment



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

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.

2024 Pre-development infrastructure will include public realm improvements and other strategies.

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?:

Foundation Principles Supported:

Strategic Priorities Supported:

Department Funding Request:

Anticipated Funding Source	2024	2025	2026	2027	2028	2029	Total Current 6 Yrs
State DMC Funds	1,000,000	10,000,000	11,000,000	0	0	0	22,000,000
State Funds	0	10,000,000	11,000,000	0	0	0	21,000,000
Funding Request Row Total:	1,000,000	20,000,000	22,000,000	0	0	0	43,000,000

Project Cost Breakdown:

Major Expense Category	2024	2025	2026	2027	2028	2029	Total Current 6 Yrs
Construction	0	20,000,000	22,000,000	0	0	0	42,000,000
Architect/Design	1,000,000	0	0	0	0	0	1,000,000
Project Cost Breakdown Row Total:	1,000,000	20,000,000	22,000,000	0	0	0	43,000,000

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):

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.

St. Marys Place Public Realm



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

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?:

Foundation Principles Supported:

Strategic Priorities Supported:

Department Funding Request:

Anticipated Funding Source	2024	2025	2026	2027	2028	2029	Total Current 6 Yrs
State DMC Funds	500,000	3,500,000	0	0	0	0	4,000,000
Funding Request Row Total:	500,000	3,500,000	0	0	0	0	4,000,000

Project Cost Breakdown:

Major Expense Category	2024	2025	2026	2027	2028	2029	Total Current 6 Yrs
Construction	0	3,500,000	0	0	0	0	3,500,000
Architect/Design	500,000	0	0	0	0	0	500,000
Project Cost Breakdown Row Total:	500,000	3,500,000	0	0	0	0	4,000,000

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: 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:

Rapid Transit Implementation



2nd Street SW and 6th Avenue – View Looking East
 Rochester Downtown Circulator
 BRT CONCEPT
 DRAFT – FOR ILLUSTRATIVE PURPOSES ONLY

 JUL 28, 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:
 Economic Vibrancy and Growth Management, Quality Services for Quality Living

Department Funding Request:

Anticipated Funding Source	2024	2025	2026	2027	2028	2029	Total Current 6 Yrs
Federal Funds	24,700,000	60,110,000	0	0	0	0	84,810,000
Water Utility	150,000	0	0	0	0	0	150,000
Operating Transfer – From Sewer Utility	225,000	0	0	0	0	0	225,000
Transit Aid State DMC	5,577,854	7,422,437	4,232,337	0	0	0	17,232,628
Transit Aid County DMC	3,718,569	4,948,292	2,821,558	0	0	0	11,488,419
Special Assessment Bonds	750,000	0	0	0	0	0	750,000
Funding Request Row Total:	35,121,423	72,480,729	7,053,895	0	0	0	114,656,047

Project Cost Breakdown:

Major Expense Category	2024	2025	2026	2027	2028	2029	Total Current 6 Yrs
Architect/Design	500,000	500,000	0	0	0	0	1,000,000
Project Management	500,000	500,000	100,000	0	0	0	1,100,000
Construction	34,121,423	71,480,729	6,953,895	0	0	0	112,556,047
Project Cost Breakdown Row Total:	35,121,423	72,480,729	7,053,895	0	0	0	114,656,047

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.

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 such as bio-med-tech, workforce housing, and downtown property support.

 Actual use of any of this funding requires additional, specific authorization by the DMCC and City Council.

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:
 Economic Vibrancy and Growth Management

Department Funding Request:

Anticipated Funding Source	2024	2025	2026	2027	2028	2029	Total Current 6 Yrs
State DMC Funds	10,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	25,000,000
Funding Request Row Total:	10,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	25,000,000

Project Cost Breakdown:

Major Expense Category	2024	2025	2026	2027	2028	2029	Total Current 6 Yrs
Implementation	10,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	25,000,000
Project Cost Breakdown Row Total:	10,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	25,000,000

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:

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.

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.

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:

Economic Vibrancy and Growth Management

Department Funding Request:

Anticipated Funding Source	2024	2025	2026	2027	2028	2029	Total Current 6 Yrs
Federal Funds	0	17,900,000	0	0	0	0	17,900,000
State DMC Funds	4,000,000	5,000,000	1,300,000	0	0	0	10,300,000
Funding Request Row Total:	4,000,000	22,900,000	1,300,000	0	0	0	28,200,000

Project Cost Breakdown:

Major Expense Category	2024	2025	2026	2027	2028	2029	Total Current 6 Yrs
Construction	1,500,000	22,400,000	1,300,000	0	0	0	25,200,000
Architect/Design	2,500,000	500,000	0	0	0	0	3,000,000
Project Cost Breakdown Row Total:	4,000,000	22,900,000	1,300,000	0	0	0	28,200,000

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.

Downtown District Energy System



Department:	Public Works	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:	0	Ward:	NA

Project Description:

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

Purpose, Justification & Benefits:

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

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

Foundation Principles Supported:

Environmental Stewardship, Fiscal Responsibility & Sustainability

Strategic Priorities Supported:

Economic Vibrancy and Growth Management, Quality Services for Quality Living

Department Funding Request:

Anticipated Funding Source	2024	2025	2026	2027	2028	2029	Total Current 6 Yrs
State DMC Funds	7,200,000	0	0	0	0	0	7,200,000
Funding Request Row Total:	7,200,000	0	0	0	0	0	7,200,000

Project Cost Breakdown:

Major Expense Category	2024	2025	2026	2027	2028	2029	Total Current 6 Yrs
Construction	7,200,000	0	0	0	0	0	7,200,000
Project Cost Breakdown Row Total:	7,200,000	0	0	0	0	0	7,200,000

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

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

Operations & Capital Asset Maintenance:

Is this request for new or existing infrastructure:

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

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

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

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

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

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

3rd Ave SW Sewer Capacity Bypass



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

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. Construction is 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?:

Foundation Principles Supported:

Strategic Priorities Supported:

Department Funding Request:

Anticipated Funding Source	2024	2025	2026	2027	2028	2029	Total Current 6 Yrs
State DMC Funds	1,500,000	0	0	0	0	0	1,500,000
Operating Transfer – From Sewer Utility	1,500,000	0	0	0	0	0	1,500,000
Funding Request Row Total:	3,000,000	0	0	0	0	0	3,000,000

Project Cost Breakdown:

Major Expense Category	2024	2025	2026	2027	2028	2029	Total Current 6 Yrs
Architect/Design	0	0	0	0	0	0	0
Construction	3,000,000	0	0	0	0	0	3,000,000
Project Cost Breakdown Row Total:	3,000,000	0	0	0	0	0	3,000,000

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: Existing

What is the expected useful life of the project/improvement (in years): 100

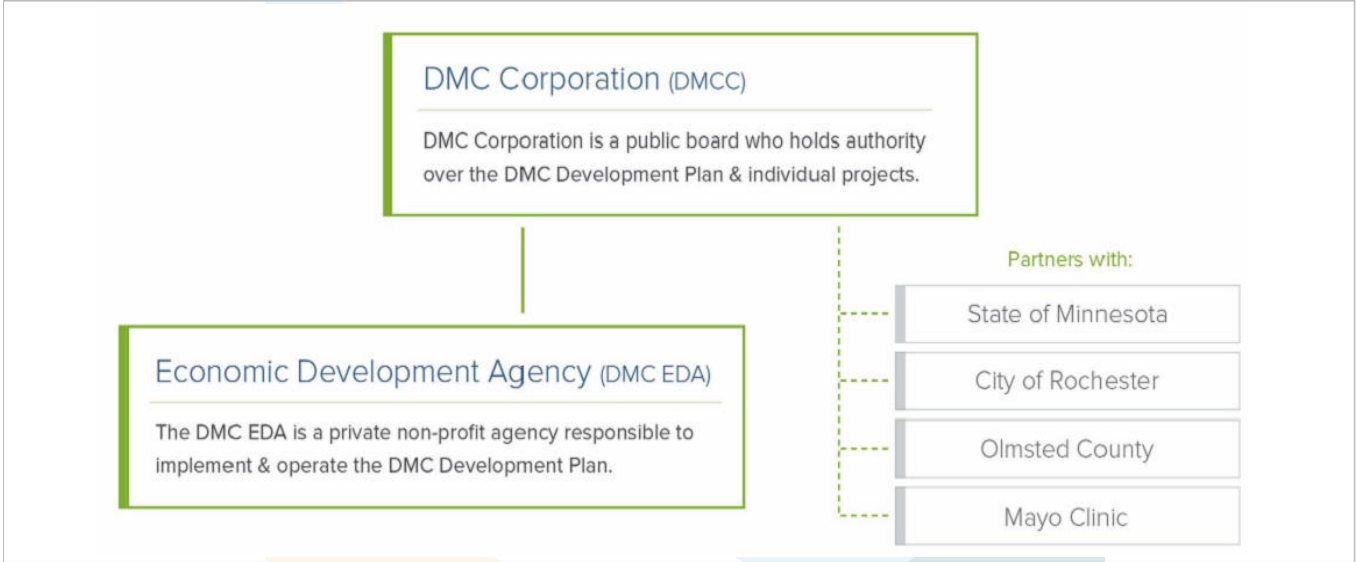
What is the estimated annual operating cost increase (Decrease) for this project (\$): 0

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:

Destination Medical Center Corporation Expenses



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

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

Purpose, Justification & Benefits:
 To support the efforts of the DMCC on Destination Medical Center (DMC) activities.

What is the grant status for the project?:

Foundation Principles Supported:

Strategic Priorities Supported:

Department Funding Request:

Anticipated Funding Source	2024	2025	2026	2027	2028	2029	Total Current 6 Yrs
Sales Tax DMC	218,930	224,403	230,013	235,764	241,658	247,699	1,398,467
Funding Request Row Total:	238,125	244,078	250,180	256,434	262,845	269,416	1,521,078

Project Cost Breakdown:

Major Expense Category	2024	2025	2026	2027	2028	2029	Total Current 6 Yrs
Overhead	238,125	244,078	250,180	256,434	262,845	269,416	1,521,078
Project Cost Breakdown Row Total:	238,125	244,078	250,180	256,434	262,845	269,416	1,521,078

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 2024 is a decrease from the prior year (2023).

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

Administrative Costs for Destination Medical Center Projects



Department:	<input type="text" value="City Administration"/>	CIP Business Unit:	<input type="text" value="8600"/>
Division:	<input type="text" value="City Administration"/>	Project Number:	<input type="text" value="8601"/>
Contact Person:	<input type="text" value="Noloan L Schild"/>		
Location:	<input type="text" value="Destination Medical Center"/>		
Project Category:	<input type="text" value="Destination Medical Center"/>		
Department Priority:	<input type="text" value="4"/>	Ward:	<input type="text" value="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?:

Foundation Principles Supported:

Strategic Priorities Supported:

Department Funding Request:

Anticipated Funding Source	2024	2025	2026	2027	2028	2029	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	2024	2025	2026	2027	2028	2029	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

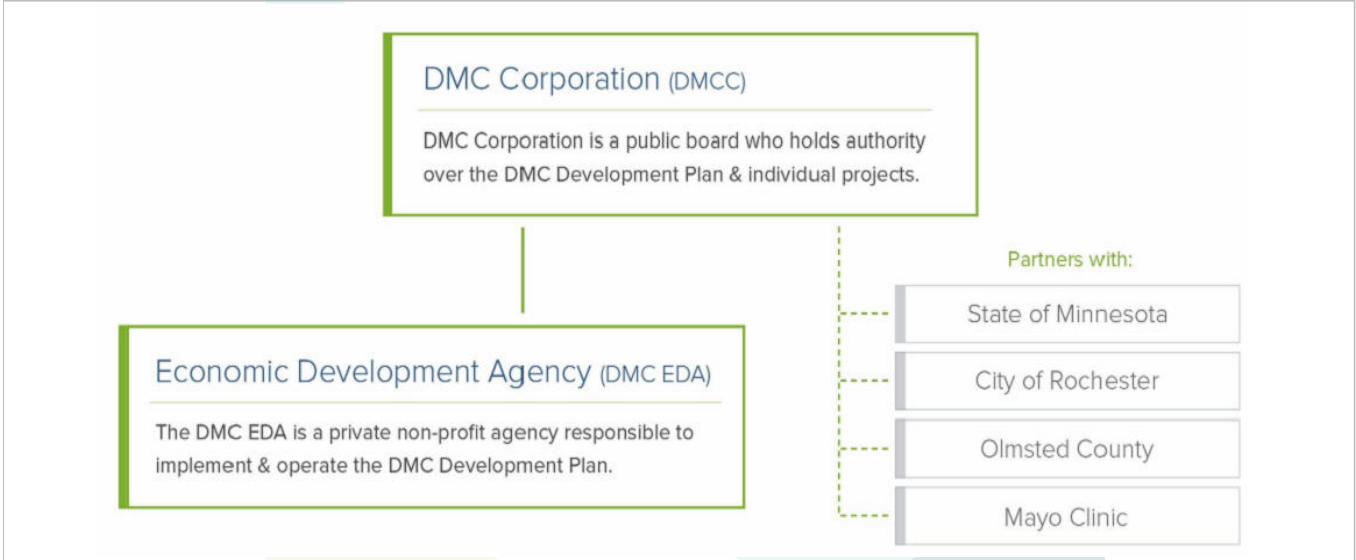
What is the estimated annual operating cost increase (Decrease) for this project (\$): 0

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

The administrative budget being presented for 2024 is equal to the prior year (2023).

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

Destination Medical Center Corporation EDA Expenses



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

Project Description:
 Contributions to the Destination Medical Center (DMC) Economic Development Authority (EDA) for expenses incurred to implement the work plan of the Destination Medical Center Corporation (DMCC).

Purpose, Justification & Benefits:
 To support the efforts of the DMC EDA on DMC activities and approved 2021 work plan objectives.

What is the grant status for the project?:

Foundation Principles Supported:

Strategic Priorities Supported:

Department Funding Request:

Anticipated Funding Source	2024	2025	2026	2027	2028	2029	Total Current 6 Yrs
Sales Tax DMC	2,842,507	2,913,570	2,986,409	3,061,069	3,137,862	3,216,036	18,157,453
Funding Request Row Total:	2,842,507	2,913,570	2,986,409	3,061,069	3,137,862	3,216,036	18,157,453

Project Cost Breakdown:

Major Expense Category	2024	2025	2026	2027	2028	2029	Total Current 6 Yrs
Overhead	2,842,507	2,913,570	2,986,409	3,061,069	3,137,862	3,216,036	18,157,453
Project Cost Breakdown Row Total:	2,842,507	2,913,570	2,986,409	3,061,069	3,137,862	3,216,036	18,157,453

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

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

Operations & Capital Asset Maintenance:

Is this request for new or existing infrastructure: Existing

What is the expected useful life of the project/improvement (in years): 1

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

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

The amount being budgeted for in 2024 is approximately \$219,000 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:
 Economic Vibrancy and Growth Management

Department Funding Request:

Anticipated Funding Source	2024	2025	2026	2027	2028	2029	Total Current 6 Yrs
Sales Tax DMC	1,157,454	1,217,266	1,247,698	1,278,890	1,310,862	1,343,634	7,555,804
Funding Request Row Total:	1,157,454	1,217,266	1,247,698	1,278,890	1,310,862	1,343,634	7,555,804

Project Cost Breakdown:

Major Expense Category	2024	2025	2026	2027	2028	2029	Total Current 6 Yrs
Project Management	1,157,454	1,217,266	1,247,698	1,278,890	1,310,862	1,343,634	7,555,804
Project Cost Breakdown Row Total:	1,157,454	1,217,266	1,247,698	1,278,890	1,310,862	1,343,634	7,555,804

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

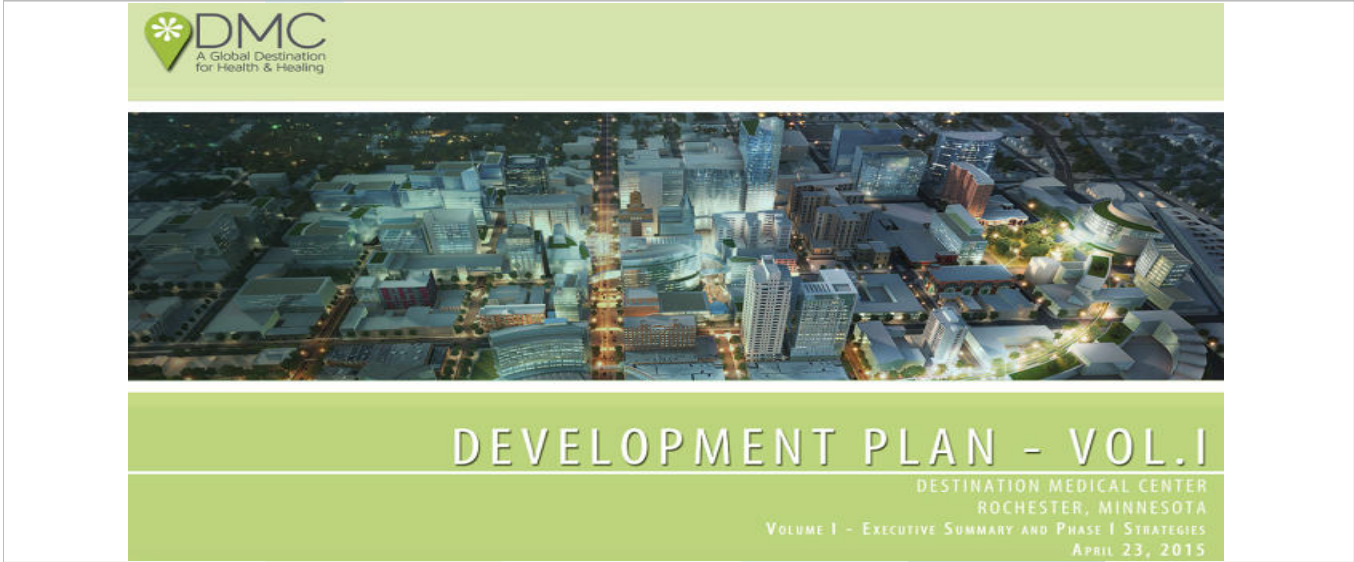
What is the estimated annual operating cost increase (Decrease) for this project (\$): 0

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

The amount being budgeted for 2024 is an increase from the prior year (2023) of approximately \$161,177.

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

Destination Medical Center Development Plan Update



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

Project Description:

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

Purpose, Justification & Benefits:

The update of the DMC Development Plan is required every 5 years by legislation and will be informed by data and information that has evolved since the original plan was adopted and/or the most recent update was performed. Examples of updates to the plan include fiscal and economic impact analysis, organizational capacity, etc.

What is the grant status for the project?:

Foundation Principles Supported:

Strategic Priorities Supported:

Department Funding Request:

Anticipated Funding Source	2024	2025	2026	2027	2028	2029	Total Current 6 Yrs
State DMC Funds	750,000	300,000	0	0	0	0	1,050,000
Funding Request Row Total:	750,000	300,000	0	0	0	0	1,050,000

Project Cost Breakdown:

Major Expense Category	2024	2025	2026	2027	2028	2029	Total Current 6 Yrs
Consulting or Study	750,000	300,000	0	0	0	0	1,050,000
Project Cost Breakdown Row Total:	750,000	300,000	0	0	0	0	1,050,000

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 (\$): 0

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:

Repayment to Flood Control



Department:	City Administration	CIP Business Unit:	8600
Division:	City Administration	Project Number:	8605
Contact Person:	Noloan L Schild		
Location:	Destination Medical Center		
Project Category:	Destination Medical Center		
Department Priority:	6	Ward:	NA

Project Description:

These funds represent Destination Medical Center's (DMC) repayment of a loan from the City of Rochester's Flood Control Reserves that were used to initiate efforts in the beginning years of DMC.

Purpose, Justification & Benefits:

There is a City Council Resolution to provide the payment/payback of \$1,200,000 annually, starting in 2018, to pay back the Flood Control Reserves in the amount of \$7,200,000.

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

Foundation Principles Supported:

Fiscal Responsibility & Sustainability

Strategic Priorities Supported:

Economic Vibrancy and Growth Management

Department Funding Request:

Anticipated Funding Source	2024	2025	2026	2027	2028	2029	Total Current 6 Yrs
Sales Tax DMC	1,200,000	0	0	0	0	0	1,200,000
Funding Request Row Total:	1,200,000	0	0	0	0	0	1,200,000

Project Cost Breakdown:

Major Expense Category	2024	2025	2026	2027	2028	2029	Total Current 6 Yrs
Overhead	1,200,000	0	0	0	0	0	1,200,000
Project Cost Breakdown Row Total:	1,200,000	0	0	0	0	0	1,200,000

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): 2

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 majority of the work performed utilizing the funds was related to 1) the Chateau Theatre purchase and 2) consulting related to various aspects of the DMC Development Plan. Operating cost impacts were marginal.

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

ITS Implementation Phase II



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

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

Purpose, Justification & Benefits:
 Will enhance mobility for citizens, visitors, workers, etc. commuting to areas within the Destination Medical Center.

What is the grant status for the project?:

Foundation Principles Supported:

Strategic Priorities Supported:

Department Funding Request:

Anticipated Funding Source	2024	2025	2026	2027	2028	2029	Total Current 6 Yrs
Transit Aid County DMC	0	0	400,000	3,000,000	0	0	3,400,000
Transit Aid State DMC	0	0	600,000	4,500,000	0	0	5,100,000
Funding Request Row Total:	0	0	1,000,000	7,500,000	0	0	8,500,000

Project Cost Breakdown:

Major Expense Category	2024	2025	2026	2027	2028	2029	Total Current 6 Yrs
Implementation	0	0	1,000,000	7,500,000	0	0	8,500,000
Project Cost Breakdown Row Total:	0	0	1,000,000	7,500,000	0	0	8,500,000

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:

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:

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



DMC

Destination Medical Center

Destination Medical Center Economic Development Agency

&

City of Rochester DMC Project Management Team

2024 Workplan

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2. CITY OF ROCHESTER DMC PROJECT MANAGEMENT RESPONSIBILITIES
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1. Executive Summary

In 2024, 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. Additionally, the DMC EDA will work with our stakeholders to produce the 2025 update to the DMC development plan.

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

2024 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, equitable 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 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 critical to a vibrant city.
- 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 focus on cutting edge business sectors, innovative collaborative processes, novel business models, 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. 2024 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	2024 Outcome
Create 35,000-45,000 new jobs Achieve the highest quality patient, visitor, and community member experience	Reduce drive-alone mode share from 71% to 58%	Metrics: Continue mode-shift data-gathering, reporting, and community engagement
		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: Expand active transportation strategies and enact programs to expand alternative commuting

PUBLIC REALM

2035 Goal	Phase 2 (2025) Goal	2024 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: Partner with community organizations to promote diverse and inclusive uses of Heart of the City
		Chateau Theatre: Support the execution of the 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 construction, including: Grand Opening Commemoration; Promoting understanding of a new downtown community space; Engage to ensure a diverse use of Discovery Walk
Demonstrate the value of public realm/infrastructure investments		Rapid Transit: Develop community-supported station area public realm concepts and neighborhood connections
		West Transit Village: Support for development partner and establish stakeholder-supported site development and public infrastructure plan
		Education/Recreation: Promote Soldiers Memorial Field Park investment through programming and marketing partnerships
		Downtown Riverfront: Pre-development infrastructure and site preparation

TRANSFORMATIVE PRIVATE DEVELOPMENT

2035 Goal	Phase 2 (2025) Goal	2024 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 2024
		Pre-development Site Activation: Interim use of one pre-development site
		Retail: Support community partner(s) in launching retail incubator

PLAN IMPLEMENTATION: MARKETING AND BUSINESS DEVELOPMENT

2035 Goal	Phase 2 (2025) Goal	2024 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. Support events and activities with the potential to expose Rochester to industry leaders, site selectors, and the venture capital community.
		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.
		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.
Create 35,000-45,000 new jobs	Develop 330,000 SF of Bio-Med-Tech space	Ecosystem Building (Industry): Work with partners to define Rochester's Life Sciences ecosystem, assess ecosystem business needs, and begin building supportive programming
		Lead Generation: Generate a minimum of 150 direct leads through targeted outreach efforts; Conduct 6-8 lead generation campaigns focused on specific domestic and international markets, or specific industry niches within life science and medical technology.
		Awareness Building (Print+Digital): Develop enhanced marketing collateral to be delivered via digital means (DMC website, LinkedIn) and physical collateral (printed profiles, brochures, direct mail) that is based in solid economic data, relevant market comparisons, and compelling visual elements
		Awareness Building (Digital): Streamline user experience on www.dmc.mn, including adding content and removing outdated or unnecessary information

TRANSFORMATIVE PRIVATE DEVELOPMENT

2035 Goal	Phase 2 (2025) Goal	2024 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 2024
		Pre-development Site Activation: Interim use of one pre-development site
		Retail: Support community partner(s) in launching retail incubator

PLAN IMPLEMENTATION: ENERGY AND SUSTAINABILITY

2035 Goal	Phase 2 (2025) Goal	2024 Outcome
<p>Attract more than \$5 billion in private investment</p> <p>Achieve the highest quality patient, visitor, and community member experience</p>	<p>Reduce the emissions associated with the new construction and existing buildings sector</p>	<p>Metrics: Benchmarking program includes 153 buildings, including buildings in DMC district</p>
		<p>Best Practices: Engage in at least 2 national conferences, and 10 local and regional meetings</p>
	<p>Progress toward DMC and Rochester GHG, energy and sustainability goals across sectors</p>	<p>Metrics: Develop an accurate Air Quality visualization platform downtown to enhance community understanding</p>
		<p>Energy Reduction: Complete 9 projects identified in Phase 1 of Strategic Energy Project Plan and begin work on Phase 2 projects</p> <p>Emissions Reduction: Reduce emissions from transit and building sector</p>

PLAN IMPLEMENTATION: HEALTH AND EQUITY IN ECONOMIC DEVELOPMENT

2035 Goal	Phase 2 (2025) Goal	2024 Outcome
<p>Achieve the highest quality patient, visitor, and community member experience</p>	<p>Apply health in design process to 10 infrastructure projects</p>	<p>Equitable Economic Development: Build a co-design understanding across the community, train 14 facilitators, and local leadership on its elements</p>
<p>Attract more than \$5 billion in private investment</p> <p>Achieve the highest quality patient, visitor, and community member experience</p>	<p>More than \$1 billion of new private development underway</p>	<p>Equitable Economic Development: Co-host 2 events in Rochester that support minority owned businesses and BIPOC/Emerging Developers in the DMC district</p>
		<p>Equitable Economic Development: Create implementation plan for DEI assessment recommendations, convene 6 meetings the Equity Alliance, offer 6 equity series in 2024</p>

PLAN IMPLEMENTATION: TARGETED BUSINESS AND WORKFORCE DEVELOPMENT

2035 Goal	Phase 2 (2025) Goal	2024 Outcome
<p>Ensure compliance with specific requirements of the DMC Act</p>	<p>a) Women Workforce Participation: 7%</p> <p>b) Minority Workforce Participation: 15%</p> <p>c) Targeted Business Goal: 7%</p> <p>d) Heavy Construction Targeted Business Goal: 4%</p>	<p>Targeted Business and Workforce Utilization: Operationalize Prevailing Wage and Workforce Utilization on DMC Projects</p>
		<p>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</p>
		<p>Targeted Business and Workforce Utilization: Improve Targeted Business contracting performance results against DMC targets</p>
		<p>Targeted Business and Workforce Utilization: Improve Workforce participation (People of Color and Women) performance results</p>

PLAN IMPLEMENTATION: COMMUNITY ENGAGEMENT

2035 Goal	Phase 2 (2025) Goal	2024 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	2024 Outcome
Achieve the highest quality patient, companion, visitor, employee, and resident experience		Experience Improvement: Strategic downtown partners report improved outcomes related to Downtown Task Force Action Plan
		Experience Improvement: Downtown stakeholders report increased experience improvement

6. 2024 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 2024 DMC EDA funding request to the Destination Medical Center Corporation of \$2,842,507. The proposed budget includes new investments in DMC’s business recruitment and lead generation strategies.
- 2024 DMC EDA funding contributed by Mayo Clinic towards the operational, project, and program expenses of the DMC EDA totals \$1,531,700.
- The 2024 DMC City of Rochester Project Management team funding request to the Destination Medical Center Corporation is \$1,157,454.
- DMC-funded costs noted above are accounted for in the 2024 Capital Plan.

2024 DMC EDA Operating Budget

	2023 DMC Funding	2024 DMC Funding	2023 Mayo Clinic Funding	2024 Mayo Clinic Funding	YOY Funding Change (%)
Staff					
1 Payroll	\$1,088,746	\$1,471,393	\$500,000	\$500,000	19.4%
2 Benefits	\$185,026	\$220,709			16.2%
3 Payroll Expenses	\$7,000	\$7,000			0.0%
4 Transit Subsidy	\$8,400	\$15,600			46.2%
5 Reimbursements					
<i>SUBTOTAL</i>	<i>\$1,289,172</i>	<i>\$1,714,702</i>	<i>\$500,000</i>	<i>\$500,000</i>	19.2%
Agency Operations					
6 Rent and Utilities	\$1,236	\$1,279	\$140,000	\$140,000	0.0%
7 Equipment Rentals and Furniture					
8 Office Supplies and Consumables	\$10,000			\$10,000	0.0%
9 Room Rental					
10 Postage and Shipping	\$1,500	\$1,500			0.0%
11 Website Drafting and Hosting	\$19,200	\$19,620			2.1%
12 IT Hardware, Software, and Support	\$35,173	\$34,720			-1.3%
13 Miscellaneous Costs	\$3,865	\$6,960	\$14,015	\$8,000	-19.5%
<i>SUBTOTAL</i>	<i>\$70,974</i>	<i>\$64,079</i>	<i>\$154,015</i>	<i>\$158,000</i>	-1.3%
Economic Development					
14 Print and Collateral			\$60,000	\$45,000	-33.3%
15 Outreach and Local Events	\$30,000	\$47,000	\$46,000	\$75,000	37.7%
16 Subscriptions and Memberships	\$8,052	\$10,676	\$420		20.6%
17 Conferences, Meetings, Travel, and Participation	\$139,320	\$83,100	\$20,955	\$156,900	33.2%
18 Economic Development Programming	\$514,100	\$395,050	\$257,000	\$509,800	14.8%
<i>SUBTOTAL</i>	<i>\$691,472</i>	<i>\$535,826</i>	<i>\$384,375</i>	<i>\$786,700</i>	18.7%
Professional Services					
19 Legal	\$40,000	\$30,000			-33.3%
20 Website Management and CRM	\$14,000	\$3,600	\$165,000		-4872.2%
21 Marketing, Communications, and Advertising	\$385,000	\$310,000	\$55,000		-41.9%
22 Strategic Public Relations			\$62,000	\$62,000	0.0%
23 Contracted Support Staff		\$48,000	\$91,000	\$25,000	-24.7%
24 Financial Reporting Services	\$78,410	\$76,300			-2.8%
<i>SUBTOTAL</i>	<i>\$517,410</i>	<i>\$467,900</i>	<i>\$373,000</i>	<i>\$87,000</i>	-60.5%
Miscellaneous					
25 Insurance and Taxes	\$54,500	\$60,000			9.2%
26 Contingency					
<i>SUBTOTAL</i>	<i>\$54,500</i>	<i>\$60,000</i>			9.2%
TOTAL	\$2,623,528	\$2,842,507	\$1,411,390	\$1,531,700	7.8%

2024 City of Rochester DMC Project Management Budget

	<u>2023</u>	<u>2024</u>	<u>YOY Change (%)</u>
Staff Costs			
Employee Services	\$ 995,277	<u>\$1,032,543</u>	3.7%
Subtotal	\$ 995,277	\$1,032,543	3.7%
Operational Costs			
Rents and Leases	\$ 2,500	\$ 500	-80.0%
Adv, Publishing, & Printing	\$ 7,778	\$ 7,778	0.0%
Contractual Mtce & Repair	\$ 38,760	\$ 38,760	0.0%
Expert & Professional Services	\$ 8,160	\$ 8,160	0.0%
Communications	\$ 612	\$ 4,356	611.8%
Travel/Training/Business Meals	\$ 8,237	\$ 12,547	52.3%
Subscriptions/Bks/Memberships	\$ 5,177	\$ 5,650	9.1%
Insurance and Bonds		\$ 27,398	
Materials and Supplies	\$ 2,100	\$ 2,800	33.3%
Other Charges	\$ 11,568	\$ 16,962	46.6%
Miscellaneous		\$ -	
Professional Development		\$ -	
Office		\$ -	
Information		\$ -	
Subtotal	\$ 84,892	\$ 124,911	47.1%
TOTAL	\$1,080,169	<u>\$1,157,454</u>	7.2%

DMCC Corporation
2024 Budget Worksheet

Account Description	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2022 Actual	2023 Budget	2023 Actual 6/30	Proposed 2024 Budget
DMC Corporation								
Revenues	1,161,491							
Interest Earned	6							
Building Rent	34,017	8,190	2,546	38,588	22,973	34,017	22,681	36,607
Rents and Leases	34,017	8,190	2,546	38,588	22,973	34,017	22,681	36,607
Audit Services	3,150	3,300	4,500	4,500	4,550	4,600	2,100	6,000
Legal Consultants	146,785	148,749	132,323	160,000	107,351	150,000	67,843 (*)	140,000
Accounting Consultants	1,100	1,150	1,300	2,600	1,325	2,700	-	4,000
Other Expert & Professnl Srvc	10,418	7,865	15,771	15,000	2,612	15,000	1,876	15,000
Expert & Professional Services	161,452	161,064	153,894	182,100	115,837	172,300	71,819	165,000
Travel and training	322	153	146	5,000	491	5,000		5,000
Business meal expenses		-	-	1,000		1,000		1,000
Travel/Training/Business Meals	322	153	146	6,000	491	6,000	-	6,000
Comprehensive Liability Ins	13,607	14,055	13,596	20,000	13,128	20,000	7,358	11,323
Insurance - Misc others								
Insurance and Bonds	13,607	14,055	13,596	20,000	13,128	20,000	7,358	11,323
Contractual Services								
Contractual Services								
Professional & Contracted Srvc	209,398	183,462	170,182	246,688	152,430	232,317	101,858	218,930
Other Supplies								
Supplies								
Materials and Supplies	-	-	-	-	-	-	-	-
Interest	20	5	9		30		19	
Other Charges	25	25	25					
Other Charges	45	30	34	0	30	0	19	
Expenditures	209,443	183,493	170,216	246,688	152,460	232,317	101,877	218,930
Other Financing Uses								
DMC EDA Corporation - Net Revs - Exps	1,052,444	2,129,448	1,883,356	2,190,000	1,853,782		745,097	
City Support:								
City DMCC Project Management		402,178	593,285	738,646	671,461		174,170	
DMCC Administrative Support by City			18,887	100,000	28,041		5,929	
Keep It Local Grants - COVID-19 Response		51,078						
Total DMCC & EDA Expenditures	1,261,887	2,766,197	2,665,744	3,275,334	2,705,744	232,317	1,027,072	

(*) This amount reflects fees from January - May 2023 of \$63,272.60 plus \$2,219.57 for June and \$2,351.32 for July.

EXHIBIT A

DMCC REQUEST FOR EXTENSION OF WORKING CAPITAL LOAN FOR 2024

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, 2023 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 2024.
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: _____, 2023

Authorized DMCC Representative

ATTACHMENT 1: RECONCILIATION OF DMCC TRANCHE ADVANCES

Through July 31, 2023

ATTACHMENT 1
DMCC Working Capital Loan
Account Reconciliation
2022 - 2023

DMCC Bank Account	2022											
	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	1,001.28	1,000.17	1,000.46	1,001.03
DMCC Bank Charges	104.96	101.64	99.22	106.95	101.59	101.30	105.98	102.87	112.09	114.27	114.56	112.48
Adjustments - bank fees returned												
Adjustments - change in amount												
Interest Earnings						0.31	1.75	1.99	0.35	1.38	4.21	2.97
EDA Funding Requested	182,223.73	137,024.29	270,117.73	100,925.97	113,020.45	169,491.52	220,595.40	157,763.47	105,953.76	170,650.09	158,864.30	241,601.59
Actual Funded	179,805.73	137,129.25	270,318.59	101,032.92	116,122.04	172,631.44	226,824.89	175,668.67	107,089.39	176,166.03	158,975.22	245,927.21
Checks						3,163.79	2,875.00	23,928.44	1,025.00	5,402.76		4,215.08
Difference	(2,418.00)	104.96	200.86	106.95	3,101.59	(23.87)	3,354.49	(6,023.24)	110.63	113.18	110.92	110.54
Ending Bank Balance	895.04	898.36	1,000.00	1,000.00	4,000.00	3,875.14	7,125.40	1,001.28	1,000.17	1,000.46	1,001.03	1,002.06
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	1,001.28	1,000.17	1,000.46	1,001.03	1,002.06
Ending Bank Balance	895.04	898.36	1,000.00	1,000.00	4,000.00	3,875.14	7,125.40	1,001.28	1,000.17	1,000.46	1,001.03	1,002.06
	0.00	0.00	0.00	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)

DMCC Bank Account	2023											
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Beginning Bank Balance	1,002.06	3,183.45	1,003.42	1,000.96	1,001.71	1,004.48	134,000.39	1,003.12	1,003.12	1,003.12	1,003.12	1,003.12
DMCC Bank Charges	113.79	118.90	110.91	114.67	114.45	113.92	113.15					
Adjustments - bank fees returned												
Adjustments - change in amount	1,293.00											
Interest Earnings	3.24	4.91	4.64	3.92	5.05	4.87	16.47					
EDA Funding Requested	187,944.61	126,146.94	201,229.07	164,428.41	225,818.79	116,442.38	372,526.04					
Actual Funded	194,343.55	133,632.28	201,332.88	170,278.58	232,328.34	249,547.34	243,921.07					
Checks	5,400.00	9,551.38		5,738.67	6,397.38		4,295.62					
Difference	998.94	(2,066.04)	103.81	111.50	112.17	133,104.96	(132,900.59)	-	-	-	-	-
Ending Bank Balance	3,183.45	1,003.42	1,000.96	1,001.71	1,004.48	134,000.39	1,003.12	1,003.12	1,003.12	1,003.12	1,003.12	1,003.12
Reconciling Items												
Interest		-	-	-	-	-	-	-	-	-	-	-
Bank Fees		-	-	-	-	-	-	-	-	-	-	-
Net	3,183.45	1,003.42	1,000.96	1,001.71	1,004.48	134,000.39	1,003.12	1,003.12	1,003.12	1,003.12	1,003.12	1,003.12
Ending Bank Balance	3,183.45	1,003.42	1,000.96	1,001.71	1,004.48	134,000.39	1,003.12	1,003.12	1,003.12	1,003.12	1,003.12	1,003.12
	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	-	(0.00)	1,003.12	1,003.12	1,003.12	1,003.12	1,003.12

**ATTACHMENT 2: EDA REQUEST FOR EXTENSION OF THE
WORKING CAPITAL LOAN FOR 2024**

ATTACHMENT 2

DESTINATION MEDICAL CENTER ECONOMIC DEVELOPMENT AGENCY

Approving the 2024 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 2024 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 2024 EDA Funding Request and the EDA Request for Extension of the Working Capital Loan for 2024, are approved.



Clark Otley, M.D.
President


Dated: September 7, 2023

**EDA REQUEST FOR EXTENSION OF WORKING CAPITAL LOAN
FOR 2024**

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, 2023 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, 2024, 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 7, 2023


Authorized EDA Representative

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

DMC EDA
 Operating Account
 Reconciliation of Bank Balance to Advance Total
 Bank Balance Date: 8/31/2022

Balance per Bank: \$ 124,794.04

Add:

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

Receivable:

Payroll

\$ -
 Mitel \$ 531.10 8/22/2022
 BlueCross BlueShield \$ -

Less:

Advance for expenses not cleared:

Misc CCC \$ (155.82) remaining credit card credit
 CCC \$ 26.00 min pmt
 CCC \$ (3,573.10) 7/6 credit card
 Cash Flow \$ (20,000.00)
 Outstanding checks \$ (129.22) Allison Bowman
 Outstanding checks \$ (1,493.00) Kevin Bright

Advance Total reconciled \$ 100,000.00

DMC EDA
 Operating Account
 Reconciliation of Bank Balance to Advance Total
 Bank Balance Date: 9/30/2022

Balance per Bank:	\$	74,222.38	
Add:			
Advance in transit for expense cleared bank or expenses not yet requested-			
Receivable:	\$	1,000.00	Sept grant admin
Payroll 9/30			
	\$	75.00	
	\$	230.76	
	\$	12,178.83	
	\$	30,474.49	\$ 42,959.08
Mitel	\$	531.10	9/21/2022
BlueCross BlueShield	\$	11,070.40	9/21/2022
CCC	\$	25.00	minimum payment
Checks cleared not yet requested	\$	10.65	9/12/2022
Checks cleared not yet requested	\$	83.25	9/8/2022
Checks cleared not yet requested	\$	73.37	9/27/2022
Checks cleared not yet requested	\$	103.79	9/27/2022
Checks cleared not yet requested	\$	98.18	9/13/2022
Less:			
Advance for expenses not cleared:			
Misc CCC	\$	(155.82)	remaining credit card credit
CCC	\$	26.00	min pmt
CCC	\$	(3,573.10)	7/6 credit card
Cash Flow	\$	(20,000.00)	
Deposit	\$	(1,016.00)	MNUI creatid
Deposit	\$	(455.00)	MNUI creatid
Outstanding checks	\$	(956.00)	Metro Sales
Outstanding checks	\$	(1,291.02)	Data Smart
Outstanding checks	\$	(340.59)	Squeegee Squad
Outstanding checks	\$	(232.47)	Arnold's
Outstanding checks	\$	(54.00)	Anna Hicok
Outstanding checks	\$	(237.00)	Kevin Bright
Outstanding checks	\$	(1,892.20)	Michael Flynn
Advance Total reconciled	\$	100,000.00	

DMC EDA
 Operating Account
 Reconciliation of Bank Balance to Advance Total
 Bank Balance Date: 10/31/2022

Balance per Bank: \$ 75,904.79

Add:

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

Payable:		\$	(1,000.00)	Grant admin
Payroll 10/28	\$	75.00		
	\$	230.76		
	\$	11,733.63		
	\$	29,301.82		
	\$	4,584.67	\$	45,925.88
			\$	(5,308.52) 10/28 payroll
Mitel			\$	555.93 10/19/2022
BlueCross BlueShield			\$	12,672.96 10/24/2022
Checks cleared not yet requested			\$	73.37 9/27/2022
Checks cleared not yet requested			\$	103.79 9/27/2022

Less:

Advance for expenses not cleared:

Misc CCC			\$	(155.82) remaining credit card credit
CCC			\$	74.00 min cc payment
CCC			\$	(3,573.10) 7/6 credit card
CCC			\$	(2,133.43) 8/4 credit card
CCC			\$	(2,369.84) 9/6 credit card
Cash Flow			\$	(20,000.00)
Outstanding checks			\$	(429.42) Aon
Outstanding checks			\$	(340.59) Squeegee Squad

Advance Total reconciled \$ 100,000.00

DMC EDA
 Operating Account
 Reconciliation of Bank Balance to Advance Total
 Bank Balance Date: 11/30/2022

Balance per Bank: \$ 62,604.07

Add:

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

Payable:		Grant admin -
Payroll 11/25	\$ 75.00	
	\$ 230.76	
	\$ 11,709.78	
	\$ 29,159.60	
	\$ 4,584.67	\$ 45,759.81
		\$ (5,308.51) 11/25 payroll
Mitel	\$ 561.18	11/22/2022
BlueCross BlueShield	\$ 11,349.52	11/22/2022
Checks cleared not yet requested	\$ 131.65	Amazon 138.13 - 6.48
Checks cleared not yet requested	\$ 21.40	Amazon 11/22

Less:

Advance for expenses not cleared:

Misc CCC	\$ (155.82)	remaining credit card credit
CCC	\$ 74.00	min cc payment
CCC	\$ 21.00	min cc payment
Fidelity	\$ (4,584.67)	Over requested
Amazon	\$ (141.59)	Over requested
Outstanding checks	\$ (3,242.01)	Patrick
Outstanding checks	\$ (1,641.58)	Kevin
Outstanding checks	\$ (5,473.35)	Mike
Outstanding checks	\$ 24.90	Transfer from events / ER not a

Advance Total reconciled \$ 100,000.00

DMC EDA
 Operating Account
 Reconciliation of Bank Balance to Advance Total
 Bank Balance Date: 12/31/2022

Balance per Bank: \$ 49,920.56

Add:

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

Payable:		Grant admin -
Payroll 12/23	\$ 75.00	
	\$ 230.76	
	\$ 13,598.73	
	\$ 32,180.44	
	\$ 2,262.03	\$ 48,346.96
		\$ (5,588.22) 12/23 payroll
Mitel	\$ 561.18	12/22/2022
BlueCross BlueShield	\$ 11,491.42	12/21/2022
Checks cleared not yet requested	\$ 11.88	Amazon 12/21/22
Checks cleared not yet requested	\$ 21.60	Amazon 12/20/22
Checks cleared not yet requested	\$ 4.70	Amazon 12/22/22

Less:

Advance for expenses not cleared:

Misc CCC	\$ (155.82)	remaining credit card credit
CCC	\$ 74.00	min cc payment
CCC	\$ 21.00	min cc payment
CCC	\$ 17.00	min cc payment
Fidelity	\$ (4,584.67)	Over requested
Amazon	\$ (141.59)	Over requested

Advance Total reconciled \$ 100,000.00

DMC EDA
 Operating Account
 Reconciliation of Bank Balance to Advance Total
 Bank Balance Date: 1/31/2023

Balance per Bank: \$ 100,508.72

Add:

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

Payable: Grant admin -
 Payroll

\$ -
 12/23 payroll
 Mitel \$ 561.18 1/23/2023
 BlueCross BlueShield \$ 10,167.78 1/23/2023

Less:

Advance for expenses not cleared:

Misc CCC \$ (155.82) remaining credit card credit
 CCC \$ 74.00 min cc payment
 CCC \$ 21.00 min cc payment
 CCC \$ 17.00 min cc payment
 CCC \$ 58.00 min cc payment
 Credit Card \$ (5,207.55) 10/5 stmt
 Credit Card \$ (1,311.75) 11/3 stmt
 Credit Card \$ (1,530.08) 12/5 stmt
 Uncleared check \$ (102.52) Smith Schafer
 Uncleared check \$ (1,466.94) Data Smart
 Uncleared check \$ (89.39) Aon
 Uncleared check \$ (1,543.63) Patrick Seeb

Advance Total reconciled \$ 100,000.00

DMC EDA
 Operating Account
 Reconciliation of Bank Balance to Advance Total
 Bank Balance Date: 2/28/2023

Balance per Bank: \$ 50,713.11

Add:

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

Payable:		Grant admin -
Payroll 2/17	\$ 221.15	
	\$ 230.76	
	\$ 14,709.10	
	\$ 29,707.26	
	\$ 6,208.51	\$ 51,076.78
		\$ (5,597.29) 2/17 payroll
Mitel	\$ 561.18	2/21/2023
BlueCross BlueShield	\$ 10,829.60	2/21/2023
Amazon	\$ 90.18	2/14 - 2/22 EFT's
Lincoln Life	\$ 404.88	2/2/2023

Less:

Advance for expenses not cleared:

Misc CCC	\$ (155.82)	remaining credit card credit
CCC	\$ 74.00	min cc payment
CCC	\$ 21.00	min cc payment
CCC	\$ 17.00	min cc payment
CCC	\$ 58.00	min cc payment
Credit Card	\$ (5,207.55)	10/5 stmt
Credit Card	\$ (1,311.75)	11/3 stmt
Credit Card	\$ (1,530.08)	12/5 stmt
Refund	\$ (43.24)	Amazon 2/27

Advance Total reconciled \$ 100,000.00

DMC EDA
 Operating Account
 Reconciliation of Bank Balance to Advance Total
 Bank Balance Date: 3/31/2023

Balance per Bank: \$ 55,015.05

Add:

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

Payable:		Grant admin -
Payroll 3/31	\$ 221.15	
	\$ 230.76	
	\$ 15,242.33	
	\$ 31,016.18	
	\$ 46,710.42	
	\$ (4,948.89)	3/31 payroll
Mitel	\$ 561.18	3/22/2023
BlueCross BlueShield	\$ 10,829.60	3/21/2023
Checks cleared	\$ 65.00	#5531
Checks cleared	\$ 30.72	Amazon

Less:

Advance for expenses not cleared:

Misc CCC	\$ (155.82)	remaining credit card credit
CCC	\$ 74.00	min cc payment
CCC	\$ 21.00	min cc payment
CCC	\$ 17.00	min cc payment
CCC	\$ 58.00	min cc payment
CCC	\$ 10.00	min cc payment
Credit Card	\$ (5,207.55)	10/5 stmt
Credit Card	\$ (1,311.75)	11/3 stmt
Credit Card	\$ (1,530.08)	12/5 stmt
Outstanding check	\$ (237.88)	C to Shining C

Advance Total reconciled \$ 100,000.00

DMC EDA
 Operating Account
 Reconciliation of Bank Balance to Advance Total
 Bank Balance Date: 4/30/2023

Balance per Bank:		\$ 88,854.14	
Add:			
Advance in transit for expense cleared bank or expenses not yet requested-			
Payable:			Grant admin -
Payroll 4/28	\$ 230.76		
	\$ 15,493.00		
	\$ 221.15		
	\$ 31,597.79		
		\$ 47,542.70	
			4/28 payroll
Mitel	\$ 556.34		4/20/2023
BlueCross BlueShield	\$ 10,829.60		4/21/2023
Checks cleared	\$ 65.00		#5531
Checks cleared	\$ 2,443.10		Nationwide
Checks cleared	\$ 1,129.00		The Hartford
Checks cleared	\$ 345.28		Amazon 4/18
Checks cleared	\$ 7.56		Amazon 4/26
Checks cleared	\$ 59.43		Amazon 4/25
Checks cleared	\$ 23.78		Amazon 4/24
Less:			
Advance for expenses not cleared:			
Misc CCC	\$ (155.82)		remaining credit card credit
Transfer	\$ (50,000.00)		cash flow
Outstanding check	\$ (1,315.89)		Data Smart 4/1 invoices
Outstanding check	\$ (384.22)		Mike Flynn ER 4/10
Advance Total reconciled		\$ 100,000.00	

DMC EDA
 Operating Account
 Reconciliation of Bank Balance to Advance Total
 Bank Balance Date: 5/31/2023

Balance per Bank: \$ 96,581.04

Add:

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

Payable:		Grant admin -
Payroll 5/26	\$ 221.15	
	\$ 230.76	
	\$ 15,528.20	
	\$ 31,672.25	
	\$ 6,017.71	\$ 53,670.07
		\$ (5,595.16) 5/26 payroll
Mitel	\$ 556.34	5/22/2023
BlueCross BlueShield	\$ 10,829.60	5/23/2023
Checks cleared	\$ 65.00	#5531
Checks cleared	\$ 345.28	Amazon 4/18
Checks cleared	\$ 784.25	Amazon 5/31
Checks cleared	\$ 21.51	Amazon 5/26
Checks cleared	\$ 17.05	Amazon 5/16
Checks cleared	\$ 43.24	Amazon 5/15
Checks cleared	\$ 40.08	Amazon 5/23

Less:

Advance for expenses not cleared:

Misc CCC	\$ (155.82)	remaining credit card credit
CCC	\$ 10.00	min pmt
Transfer	\$ (50,000.00)	cash flow
Outstanding check	\$ (2,764.75)	Data Smart #5537
Outstanding check	\$ (297.34)	C to Shining C
Outstanding check	\$ (121.10)	Squeegee Squad
Outstanding check	\$ (4,029.29)	PS ER

Advance Total reconciled \$ 100,000.00

DMC EDA
 Operating Account
 Reconciliation of Bank Balance to Advance Total
 Bank Balance Date: 6/30/2023

Balance per Bank:		\$ 23,360.07	
Add:			
Advance in transit for expense cleared bank or expenses not yet requested-			
Payroll 6/9	\$ 221.15		
	\$ 230.76		
	\$ 15,748.67		
	\$ 31,917.65		
	\$ 6,208.51	\$ 54,326.74	
		\$ (5,720.15)	6/9 payroll
Payable:		\$ (1,000.00)	Grant admin - June
Payroll 6/23	\$ 221.15		
	\$ 230.76		
	\$ 15,349.35		
	\$ 31,064.37		
	\$ 6,208.51	\$ 53,074.14	
		\$ (5,588.22)	6/23 payroll
Mitel		\$ 556.34	5/22/2023
BlueCross BlueShield		\$ 10,829.60	5/23/2023
Mitel		\$ 556.34	6/20/2023
BlueCross BlueShield		\$ 10,829.60	6/21/2023
Checks cleared		\$ 65.00	#5531
Checks cleared		\$ 345.28	Amazon 4/18
Checks cleared		\$ 17.05	Amazon 5/16
Checks cleared		\$ 43.24	Amazon 5/15
Checks cleared		\$ 396.66	Lincoln National
Checks cleared		\$ 4,588.04	#5548
Checks cleared		\$ 1,720.34	#5550
Checks cleared		\$ 1,592.69	#5551
Checks cleared		\$ 153.06	Amazon 6/21
Less:			
Advance for expenses not cleared:			
Misc CCC		\$ (155.82)	remaining credit card credit
CCC		\$ 10.00	min pmt
Transfer		\$ (50,000.00)	cash flow
Advance Total reconciled		\$ 100,000.00	

DMC EDA
 Operating Account
 Reconciliation of Bank Balance to Advance Total
 Bank Balance Date: **7/31/2023**

Balance per Bank: \$ **117,354.26**

Add:

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

Payroll

\$ -

Payable:

Mitel

\$ 556.43 6/20/2023

BlueCross BlueShield

\$ 10,829.60 7/21/2023

Checks cleared

\$ 65.00 #5531

Checks cleared

\$ 345.28 Amazon 4/18

Checks cleared

\$ 153.06 Amazon 6/21

Receivable

\$ 849.47 Due from Events account

Less:

Advance for expenses not cleared:

Misc CCC

\$ (155.82) remaining credit card credit

CCC

\$ 10.00 min pmt

CCC

\$ 32.00 min pmt

Payable:

\$ (39.28) Additional due to Mike due to ER change

Transfer

\$ (50,000.00) cash flow

Transfer

\$ 20,000.00 cash flow

Advance Total reconciled

\$ 100,000.00

DESTINATION MEDICAL CENTER CORPORATION

RESOLUTION NO. __-2023

**Approving the 2024 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 2024 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 2024, requesting that the Loan Documents be extended for 2024 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 2024 are attached as Exhibit A.

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED, by the Destination Medical Center Board of Directors that the 2024 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 Chateau Theatre project, further detail and information regarding future capital needs, potential funding sources, anticipated uses, operating and business model, and expected operating duration will be necessary before consideration of any

additional funding after the 2024 CIP; and (3) staff is directed to provide an annual reconciliation of budget amounts and expenditures for each of the capital projects.

BE IT FURTHER RESOLVED, that the EDA Request for Extension of the Working Capital Loan for 2024, and the DMCC Request for Extension of the Working Capital Loan for 2024, 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 2024 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 2024 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.

Business Development and Lead Generation

To: DMCC Board of Directors

From: DMC EDA

Date: September 22, 2023

Request of the board:

No action requested.

2022-23 Awareness & Perception Study Key Findings

- Survey of 300+ life science company executives and investment “influencers.”
 1. Baseline awareness of Rochester as a potential business investment location is low (31%).
 2. 82% of high-growth life science companies have considered an expansion, but only 7% included Rochester as a potential location during that process.
 3. The #1 reason cited for not considering Rochester for investment by all audiences was “Unaware of Opportunities.”
 4. Talent pipeline, thriving ecosystem, turn-key lab space, and easy transportation access are the most important decision drivers for investment decisions.

2023 DMC Business Development Strategy

- **Build Awareness** of Rochester as a business destination, DMC as an economic development initiative, and Mayo Clinic’s close connection to both.
- **Build Infrastructure** to reduce business risk in Rochester, decrease speed-to-market, and make our Rochester “bigger.”
- **Build Ecosystem** in the life science community by defining the partners we have, engaging those partners in setting a comprehensive ecosystem strategy, and utilizing their knowledge and experience to make our product better.

Business Development focus will shift over time as priorities evolve.

- Heavy Awareness Building currently, shifting to Ecosystem Building in later years.
- Building Infrastructure tends to be project specific and in response to ecosystem needs.

2023 Business Development Program of Work

- Heavy focus on Building Awareness
 - 21 completed/in-process/planned outreach activities.
 - Total attendance of 150k+ from all events
 - Four individual Lead Gen campaigns
 - San Francisco, Paris, Tier 2 life science markets, NYC*
 - 100+ potential leads from all campaigns once completed
 - 80+ Influencer visits
 - No FAM (familiarization) tours in 2023
- Minimal Ecosystem activity
- Infrastructure Building focused on shared lab research and engagement.

2024 Business Development Proposed Budget

- Continue heavy focus on Awareness Building
 - Increase investments across the entire program.
 - Industry Marketing +60%
 - Influencer Marketing +42%
 - Direct Lead Generation +74%
 - In-market Promotion +72%
 - Addition of two staff members to allow for increased activity, and improved process.
 - Business Development Manager
 - Business Development Coordinator
 - Additional spending in Marketing and Research
 - Improved web, collateral, communications, and advertising
- Growing Ecosystem Building Program
 - Focused on defining, analyzing, and engaging the local life sciences industry
 - Will require excellent coordination with local partners
 - Building toward expanded programming and budget requests in 2025
- Building Infrastructure focused on Shared Lab operation
 - Developing turn-key real estate in response to 2022 research findings
 - Makes our market operate “bigger” in response to 2022 research findings
 - Design, operating partner, financial models, and partner agreements to be completed in 2024

DMC Communications Strategy



To: DMCC Board of Directors
From: DMC EDA
Date: September 22, 2023

Request of the board of directors:

No action requested.

Background:

Padilla was retained as a partner to research, create, and develop strategies for implementing a results-driven communications plan to reach and influence targeted local audiences. The plan will do the following:

- Improve understanding of and appreciation of DMC efforts among key local stakeholders – business leaders, community leaders, government officials, and other decision makers
- Encourage engagement by those in and around Rochester and create local partner-ambassadors to help champion DMC's efforts
- Reignite relationships and connections paused during the pandemic to navigate our new reality – and opportunities - together

Recent Milestones:

- Immersion and discovery
- Peer/competitive landscape review
- Cultural/social context assessment

Milestones:

- Padilla and DMC will prioritize and confirm priority audiences and gather existing knowledge of their current awareness, understanding attitudes, drivers, barriers, and other beliefs around the DMC initiative.
- Padilla and DMC will host a messaging workshop to determine how to evolve the narrative around DMC, including key messages and proof points. Draft messaging will be integrated into the quantitative study for testing. The session is scheduled for May 16.
- Padilla will design and execute a quantitative study issued to priority audience segments (approximately 500) in the Rochester area to gather information per the research objective above.

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

DMC EDA Staff are working in collaboration with the consultant team, Padilla, with a continued focus on the goal of increasing awareness of the DMC initiative and the strategic and economic benefits of continued relationships with Mayo Clinic and developing relationships with other stakeholders.

Current Status:

See above milestones.

Next Steps: Phase 3 – Shape and Build

- Refreshed messaging and stakeholder mapping
- Content strategy
- Channel strategy for how we'll reach key stakeholders
- Social media strategy

DEED Main Street Economic Revitalization Program Grant

To: DMCC Board of Directors

From: DMC EDA

Date: September 22, 2023

Request of the board of directors:

No action requested.

Final Round 2 Status

- 17 awards
- Average project award = \$55,800, median award \$20,000
- 7 BIPOC awardees (41%)
- 2 non-BIPOC women-led awardees (12%)
- Project types:
 - Retail and Dining: 12
 - Office, technical and mixed use: 3
 - Non-profit: 1
 - Housing and lodging: 1
- None of the project sites were unoccupied.
- Approx 80 permanent jobs created.

Final Round 1 AND 2 Outcomes

- \$3.9M awarded to 71 awards
- Average project award = \$54,900, median award \$20,500
- 20 BIPOC awardees (28%)
- 18 non-BIPOC women-led awardees (25%)
- Project types:
 - Retail and Dining: 43
 - Office, technical and mixed use: 16
 - Non-profit: 6
 - Housing and lodging: 6
- 22 project sites were unoccupied (31%)
- Approx 350 permanent jobs created.

Discovery Square – Shared Lab Project

To: DMCC Board of Directors
 From: DMC EDA
 Date: Sept 22, 2023

Request of the board of directors:

No action requested.

Background

- What it is: Community infrastructure of shared laboratory space for life sciences startups for technology, workforce, and economic development
- Objectives of this infrastructure:
 - Attract early-stage companies and the follow-on economic impacts.
 - Advanced training for workforce development.
 - Be a resource for businesses and the community.
- Market analysis and demand study (reported previously), identified the following opportunities:
 - Development of affordable, flexible, wet lab space to support early-stage science companies.
 - Create a positive economic impact in Rochester by deepening commitments to entrepreneurship and innovation by incentivizing, facilitating, and educating inventors to create more high-value companies.
 - Consider developing space and equipment for prototyping and 3D printing, expose it to external opportunities to enhance patient care, and support the needs of early-stage companies.
 - Address the challenge of creating a qualified workforce for startups with more four-year degree options specializing in programs that complement existing higher education programs.

Status

- Potential operating partners identified
 - Reciprocal site visits completed, draft proposals in hand from both, decision matrix developed and completed by both groups.

Next Steps

- Select operating partner, finalize operating agreements, develop timeline for launch, secure funding. This matrix represents where financial investments are most likely to be needed and how the Project collaborators will need to finance the project.

	Operator	DMC	Mayo Clinic	Mortenson
Pre-Launch				
Space design				
Capital for construction				
Space construction				
Fund-raising				
Business programming				
Business recruitment				
Launch and Ongoing Operations				
Daily operations and property mgt				
Business support services				
Business recruitment				
Events and programming				
Fund-raising				
Investment capital				

District Energy

To: DMCC Board of Directors
From: DMC EDA
Date: September 22, 2023

Request of the board of directors:

Update regarding DMC district energy system investment to advance DMCC goals for carbon emissions reductions.

Project Updates:

1. The City of Rochester is installing heating and cooling equipment in their downtown facilities to replace an aging steam system. The City is preparing to leverage the Inflation Reduction Act and other incentive programs to install a highly efficient and scalable geothermal heat pump system to heat and cool its facilities.
2. With its downtown location, proximity to infill redevelopment sites and other factors, the City and DMC EDA have been partnering for a period of years to leverage the City investment in its facilities to create an electrified district energy system.
3. A district energy system is a connected set of buildings through hot and chilled water pipes that achieve higher levels of efficiency by moving and sharing heat across a set of facilities. This creates efficiencies because heat can be moved from one facility where it isn't needed to one that has a heating need for example.
4. To create the District Energy system and install the heating hot water and chilled water pipes, the project will require additional DMC public infrastructure, beyond the \$2M already authorized. This budget of \$7.2 million is in the 2024 DMC CIP budget request.

Background:

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

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

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

Since 2007, the City of Rochester has made substantial gains toward meeting its climate goals and is on track to achieve a 50% reduction community-wide by 2030. That said, more focus is needed to achieve a 100% reduction by 2050. Electrification of heating systems for homes and buildings and electrifying car and truck fleets are critical to achieving this next stage of reduction.

District Energy helps achieve this goal by connecting buildings to the system that already has an electrified heating and cooling source, allows this to happen at scale, and at the pace of private development. The more who connect, the lower the utility rate and efficiency of the system. The DMC EDA and City staff leading this project believe this will also help attract private developers to our market aligned with the sustainability approach, and goal of realizing additional housing affordability for rent and ownership in the downtown.

Downtown Riverfront

To: DMCC Board of Directors
From: DMC EDA
Date: September 22, 2023

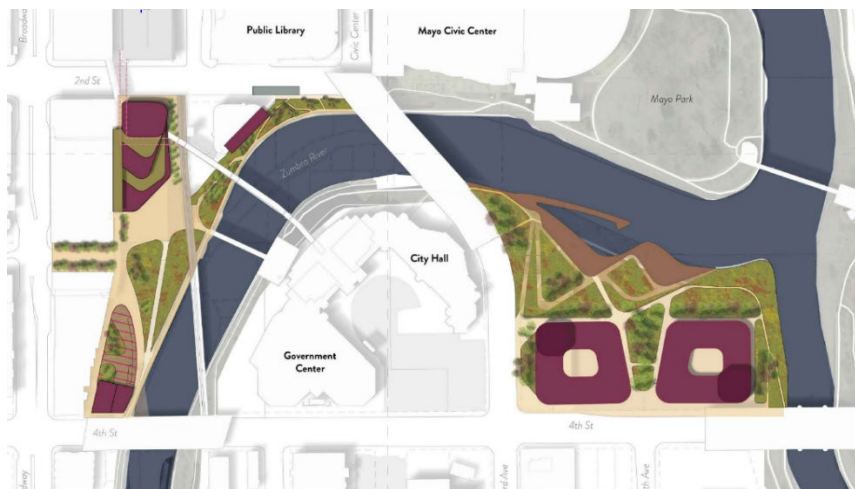


Request of the board of directors:
No action requested.

Background:

This 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) development district.

The set of community-driven principles and concept small area plan was approved by the Rochester City Council in summer 2022.



Riverfront Small Area Plan 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 sites together. The east-side focus being higher density and the west-side focused on civic and community engagement.

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 planning and development 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:

When the 2023 CIP was presented for Board approval in fall 2022, the next steps required to advance riverfront planning were adopted. The current status is shown below:

Steps adopted in 2023 CIP	Current Status
Interim activation (in partnership with the Rochester Downtown Alliance and other organizations)	Menu of activation options has been developed and a budget has been developed
Advance flood wall work with Army Corps of Engineers	Multiple meetings with the Army Corps have led to greater understanding of site needs and constraints
Due diligence analysis of former Red Owl and Time Theater buildings	Building condition assessment and cost estimation are being finalized
Continue discussions with Olmsted County regarding county-owned portion of the site	Site has been purchased from the County for \$450,000
East site preparation	Site survey, Geotech information is being finalized
Prepare developer RFQ/RFP	Concept plans and a draft RFQ structure are being finalized

The City of Rochester has submitted State bonding support for four separate projects on this property, total estimated costs shown below:

- West Site Open space: \$20 million
- Ramp demolition and skyway rebuild: \$9.75 million
- Reuse of Red Owl building and building addition: \$17.75 million
- Riverwalk improvements: \$5.4 million

Total: \$52.9 Million

The 2024 DMC CIP budget request for the Riverfront is to support the commencement of design work should any of the State bonding requests listed above get selected in 2024. State bonding requires a minimum 50% local match.

DMC EDA recommendation is that the Riverfront infrastructure proposals outlined above be further developed and return to DMCC Board with more complete information and updates on legislative bonding process in 1Q2024 and 2Q2024 meetings in advance of the 2025 budget process. Multiple funding scenarios should be prepared for those discussions.

Equitable Economic Development

To: DMCC Board of Directors
From: DMC EDA
Date: September 22, 2023

Request of the board of directors:

No action requested.

Workplan Update:



1. Community Co-Design Updates:

- a. On June 22nd, we began the second cohort of community co-design facilitator training. The anticipated graduation for this cohort is in October 2023. The participants will complete a 25-hour training to facilitate community co-design projects in our community. In this cohort, we are training participants from Rochester Public Schools, Rochester Area Foundation, Olmsted County Department of Health, and other organizations. We will offer a 3rd cohort for the facilitator training in December 2023.
- b. We will begin our 3rd cohort of Community Co-design Leadership Training in October 2023. In this 5-hour training, we trained 44 community leaders so far from the City of Rochester, Olmsted County, Rochester Public Schools, and other organizations to learn about co-design and how to lead co-design efforts within their organizations.
- c. We are continuing with the community co-design bi-monthly meetings to inform the community about co-design efforts, projects, reports, and all the resources to ensure the success of community co-design. All the information related to community co-design can be found in the Rochester co-design page on the DMC website.

2. Equity Alliance Updates:

- a. **Equity Series:** We launched two episodes of the Equity Series in July and August. The first episode offered an overview of Community Wealth Building and how important it is to have anchor organizations. The second episode shared an overview of diversity, equity, and inclusion assessments for organizations. This series will be an opportunity to introduce diversity, equity, and inclusion best practices, build sustainable DEI community strategies, and build advocacy and allyship within the Rochester community.

3. DEI Best Practices:

- a. **Goodenough Consulting DEI Partnership:** In July, DMC EDA formed a partnership with Goodenough Consulting to complete the following items:
 - i. DMC EDA Diversity, Equity, and Inclusion Assessment- 2023
 - ii. Provide a report and recommendations-2023.
 - iii. Assist in creating DEI implementation plan-2024.
 - iv. Provide DEI training and consultation for DMC EDA staff-2024.

b. Community Connections and Capacity Building: We are continuing to work with grass root organizations and BIPOC led nonprofits to build relationships with the communities they work with. Through the RDA Start-Up Grant, we assisted organizations like Pamoja Women to launch their first African Cultural celebration to promote business owned by African women. We established monthly check-ins with the following organizations to build trust with BIPOC and unrepresented communities and provide resources and capacity building opportunities:

- i. NAACP
- ii. Community Mobilization Resource Coalition
- iii. Cradle 2 Career
- iv. Pamoja Women
- v. Rochester Downtown Mosque
- vi. Sports Mentorship Academy/Andre Crockett
- vii. Rochester Public Schools.

4. Affordable Housing Updates:

a. Emerging & BIPOC Developer Expo: October 5th, DMC EDA and Greater Minnesota Housing Fund will host the Emerging/BIPOC Developer Expo in Rochester, MN in Two Discovery. The event will attract local and regional BIPOC/Emerging developers who are interested in learning more about the financial resources available in our community. It will be a networking opportunity between the developers, local Rochester organizations, and regional organization to build capacity and provide resources for BIPOC and Emerging developers.

b. Housing Developers Monthly Check-ins: We are continuing our monthly check-ins with 10 developers who are interested in the Rochester community. We provide the developers monthly updates about the following sites: Riverfront, West Transit, and Kmart. We will continue to provide DMC district site opportunities and City of Rochester opportunities to housing developers, and emerging/BIPOC developers.

Heart of the City

To: DMCC Board of Directors
From: DMC EDA
Date: September 22, 2023

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:
 - o Catenary lighting system installation planned for Fall 2023
- Post-occupancy analysis, summer data gathering:
 - o A second set of data was gathered and analyzed by Gehl in July 2023
 - o A report of findings and recommendations will be available in the fall of 2023

Chateau Theatre

On July 27, Threshold Arts held a One Year recognition event to highlight the community partners, activation, and achievements at the Chateau. Over a dozen organizations have held community events at the historic building with over 22,000 visitors in the first year.

An ADA and family restroom was added to the front of the building while a complete restroom renovation, funded by a federal grant, is bringing up the main restrooms to meet current standards. The renovation is to be completed later this fall.

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:



Housing

To: DMCC Board of Directors
From: DMC EDA
Date: September 22, 2023

Request of the board of directors:

No Action Requested



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)

Mobility

To: DMCC Board of Directors
From: DMC EDA
Date: September 22, 2023



Request of the board of directors:

No action requested.

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:

- Design advancing to 90% completion in Fall 2023
- Procurement process training completed
- SHPO found No Adverse Effect for existing design

Upcoming BRT Milestones:

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

Vehicle Design:

Goals:

- High amenity to provide a unique experience.
- Futuristic and innovative visual features.
- Experience equal to or better than driving.

Areas of influence:

- Exterior design
- Interior layout, materials, amenities, air quality
- Technology utilization
- Safety features

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.

Rochester Downtown Task Force: Grow Downtown

To: DMCC Board of Directors
From: DMC EDA
Date: September 22, 2023



Request of the board of directors:

No action requested.

Background:

In early 2023, the Downtown Rochester Task Force was established to help accelerate Rochester's path forward and build a more resilient downtown. The goal of the Task Force is to collectively create a community-based action plan that identifies (1) immediate and short-term recommendations while considering long-term needs (2) responsible organizations/partners, and (3) timelines associated with each recommended action item.

Out of the action plan, both DMC EDA and DMCC boards supported DMC staff leading the Grow Downtown action plan items. These items have been incorporated into immediate workplan strategies and tactics as well as informing 2024 workplan strategies and tactics.

The newly created DMC Grow Downtown Together strategy focuses on strengthening the demand drivers of downtown (the entities that are destination-worthy and can only find them in downtown Rochester) which include:

- Mayo Clinic
- University of Minnesota Rochester
- Downtown Housing
- Cultural Anchors
 - o Mayo Civic Center
 - o Art Center
 - o Civic Theatre
 - o Chateau Theatre
- Catalytic Retail

To do this, DMC has convened a small initial workgroup of downtown stakeholders to build a collective strategy to grow downtown together. The first meeting was held in August. Participants shared concerns, opportunities, and areas of prioritization. With the help of the workgroup, DMC staff created a set of strategies and tactics to support this work.

- Define common goals related to the growth of downtown
- Build an understanding and document what is currently being done to support these goals
- Gather and track relevant data
- Identify resource gaps restricting success
- Determine tools and resources needed
- Develop programs to support the identified goals and outcomes
- Track and measure progress

This work will create the pathway to the most impactful work DMC and downtown stakeholders can do together-- attracting people downtown.

Immediate next steps include:

- Determining the technical support needed to support the DMC Grow Downtown Together strategy
- Continue to engage with current demand drivers to determine how to support and strengthen their growth in downtown
 - a. UMR
 - i. Attend master planning activities
 - b. Mayo Clinic
 - i. Bold. Forward. Unbound.

Soldiers Field Memorial Park

To: DMCC Board of Directors
From: DMC EDA
Date: September 22, 2023



Request of the board of directors:
No action requested.

Background:

Soldiers Field Memorial Park is 150 acres in size with 4,000 feet of riverfront. It is currently comprised of memorials, active recreation space, an 18-hole golf course, aquatic amenities, a track and field facility (with winter skating), tennis courts, a baseball field, playgrounds, hockey rinks in winter, and trails.

Project improvements underway include a new aquatics area with a lazy river, 3 waterslides, 50-meter lap pool, a renovated bathhouse, a shallow pool, and a splash pad. Additional improvements also include an inclusive playground and shelter at Roy Sutherland Park (east side), new basketball courts, and a SW trail connection.

Project Update:

Project improvements are well underway with the majority of updates currently under construction. The pool was closed for the 2023 summer season.

A “Big Dig” community event is planned for October 7, 2023.

Work plan or capital improvement budget implications:

Included in the 2023 Capital Improvement Budget: \$10,000,000.

In 2020, Rochester voters approved a referendum for park investment, with \$7M allocated towards Soldiers Field Memorial Park. In 2022, the City of Rochester Parks & Recreation Department was awarded a Federal Land and Water Conservation Fund (LWCF) grant for the redevelopment of the recreation facilities at Soldiers Field Memorial Park. Additional funding is approved by the Destination Medical Center (DMC) Board, with a total budget of \$18.5 Million.

Approvals, milestones, and decision points:



West Transit Village

To: DMCC Board of Directors
From: DMC EDA Staff
Date: September 22, 2023



Request of the board of directors:

No action requested.

Background:

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

To realize this ambitious vision, Mayo Clinic, 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:

Real estate advisory firm NTH was retained by DMC EDA 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. Through that RFP process Mayo has selected a team of Kraus Anderson, Aeon, and Perkins + Will as the preferred development partner.

Mayo, the development partner, City staff and EDA staff are participating in a series of design charrettes to develop a preferred final development site plan and BRT infrastructure plan for the site.

The next steps include:

- Mayo Clinic to evaluate and commit to advance the preferred option
- Mayo Clinic and developer to establish base conditions of the site transaction and move towards a codified agreement, targeting fall 2023 for documentation
- Further advancement of the site design to provide conceptual pricing and definition of the needed infrastructure components of the site
- Return to DMC Board with a request for support of needed infrastructure components