

DESTINATION MEDICAL CENTER CORPORATION (DMCC)
SPECIAL BOARD MEETING

Wednesday, May 18, 2022
9:30 A.M.

MINUTES

- I. Call to Order. Chair R.T. Rybak called the meeting to order at 9:30 a.m.
- II. Roll Call. Doug Baker, Jim Campbell, Council President Brooke Carlson, Mayor Kim Norton, Chair R.T. Rybak, Commissioner Mark Thein, Pamela Wheelock, and Paul Williams were present.
- III. Approval of Agenda. Ms. Wheelock moved approval of the agenda. Mayor Norton seconded the motion.

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

Nays: None.

- IV. Approval of Minutes: February 3, 2022. Mayor Norton moved approval of the minutes. Commissioner Thein seconded the motion.

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

Nays: None.

- V. Public Comment. No public comments were offered.
- VI. Chair's Report. Chair Rybak noted several Board action and discussion items, including a proposal to approve enhancements to the bus rapid transit project.
- VII. Election of Officers and Appointments.

- A. Election by Board. DMCC Counsel Brennan opened the floor for Board officer nominations, while also noting that the Board Chair must be chosen from among the Board's state appointees and that the Secretary and Assistant Treasurer are positions appointed by the Chair. Mayor Norton nominated Pam Wheelock for Chair; Ms. Wheelock nominated Mayor Norton for Vice Chair and Commissioner Thein for Treasurer. No other nominations were presented.

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

Nays: None.

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

VIII. Consent Agenda.

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

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

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

Nays: None.

- IX. DMCC Audit for Year Ending December 31, 2021. Craig Popenhagen of CliftonLarsonAllen presented the audited financial statements. No internal control or Minnesota legal compliance findings were reported and there were no audit findings or disagreements with management. Mr. Campbell moved to accept the financial statements and audit results. Commissioner Thein seconded the motion.

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

Nays: None.

- X. EDA Board President Comments. Clark Otley, M.D., EDA Board of Directors President, announced that the EDA received a second Main Street Economic Revitalization Program grant award from DEED in the amount of \$950,000 for use outside of the DMC Development District, and reported on the publishing of a community co-design toolkit, and efforts to expand housing development opportunities.

- XI. DMC Metrics. Doug Holtan, Mayo Clinic Chair of Facilities and Support Services, presented an overview of Mayo Clinic's recently-updated five-year capital plan. The plan describes potential capital projects and includes inventories of employee distribution, parking, facilities growth, and other key metrics. Major ongoing projects include the expansion of the proton beam therapy center, construction of the Kellen Building, and a shared parking ramp in Discovery Square. Mr. Holtan also noted Mayo Clinic's commitment to transit village development and rapid transit. Mr. Campbell encouraged regular updates on this plan to the Board as a helpful guidepost.

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

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

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

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

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

Nays: None.

- B. Discovery Square. Chris Schad, EDA Business Development Director, described development activity in Discovery Square, noting that leasing discussions are ongoing for every floor of Two Discovery Square and that the construction of Discovery Walk continues.

- C. Mobility. Cindy Steinhauser, City of Rochester Deputy Administrator, and Catherine Malmberg, EDA Public Infrastructure & Development Strategy Director, presented proposed changes to the bus rapid transit project to enhance the user experience, realign the route, and revise project definitions in the FTA Small Starts application. Ms. Steinhauser described the benefits of these revisions, explained that the proposed share of local match funding will not be impacted, and noted that the project timeline will be extended into 2026 to allow for necessary federal reviews.

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

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

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

Nays: None.

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

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

XIII. EDA Work Plan Implementation.

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

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

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

Nays: None.